PDS MULTINATIONAL FZCO

Consolidated Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	Multinational Textile Group Limited
License No		4617

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

Business Address	:	Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	Emirates NBD HSBC Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the consolidated audited financial statements for the period ended March 31, 2025.

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

Financial review:

The table below summarizes the results of 2023-24 and 2024-25

Particulars	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Revenue	1,174,377,702	893,113,720
Gross profit/(Loss) for the period	237,588,636	152,709,711
Net profit/(Loss) for the period	67,496,755	48,545,330

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS MULTINATIONAL FZCO

Rahul Khetry

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO
DAFZA
Dubai - U.A.E

ALIA
Chartered Accountancy

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Multinational FZCO,
Dubai, United Arab Emirates.

Report on the Audit of Consolidated Financial Statements.

Opinion

We have audited the accompanying Consolidated financial statements of **PDS Multinational FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

ALIA CHARTERED ACCOUNTANCY
CHARTERED ACCOUNTANTS

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)

Date: 14th May, 2025

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments	4	**12,407,547**	2,497,407
Investments	7	**44,420,978**	43,726,359
Right of Use Assets	8	**1,787,521**	2,021,028
Goodwill		**1,140,934**	2,437,385
Total Non-Current Assets	**(A)**	**59,756,980**	**50,682,179**
Current Assets			
Advances, deposits and other receivables	9	**19,257,770**	11,468,036
Trade Receivables	10	**304,195,747**	212,510,046
Cash and Cash Equivalents	11	**18,918,529**	30,218,144
Due from related parties	17	**58,062,333**	36,505,203
Inventory		-	861,805
Total Current Assets	**(B)**	**400,434,379**	**291,563,234**
Total Assets	**(A+B)**	**460,191,359**	**342,245,413**
Equity			
Share Capital	12	**42,305,000**	42,305,000
Retained Earnings	13	**80,410,361**	42,196,798
Shareholder Current Account		-	-
Other Reserves		**(10,642,180)**	(173,375)
Non Controlling Interest		**15,658,183**	7,271,508
Total Equity	**(C)**	**127,731,364**	**91,599,931**
Non Current Liabilities			
Loan and Factoring	14	**172,325,468**	106,535,080
Lease Liability	15	**544,135**	1,002,807
	(D)	**172,869,603**	**107,537,887**
Current liabilities			
Trade and Other Payables	16	**115,619,042**	102,988,399
Lease Liabilities	15	**1,053,830**	648,196
Due to related parties	17	**42,917,520**	39,471,000
Total Current Liabilities	**(E)**	**159,590,392**	**143,107,595**
Total Liabilities	**(F)=(D+E)**	**332,459,995**	**250,645,482**
Total Equity and Liabilities	**(C+F)**	**460,191,359**	**342,245,413**

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Revenue	18	**1,174,377,702**	893,113,720
Cost of revenue	19	**(936,789,066)**	(740,404,009)
Gross profit		**237,588,636**	**152,709,711**
Other Income	20	**13,241,997**	10,874,841
General and administrative expenses	21	**(173,390,407)**	(110,755,726)
Finance Cost	22	**(8,220,808)**	(3,470,374)
Depreciation	4,8	**(2,394,170)**	(1,659,712)
JV Profit/ (Loss) for the year		**671,507**	846,590
Profit/ (Loss) for the period before tax		**67,496,755**	**48,545,330**
Corporate Tax Payable		**1,410,097**	-
Profit/ (Loss) for the period before tax		**66,086,658**	**48,545,330**
Attributable to:			
- Shareholder of the Company		**47,083,446**	30,213,565
- Non-controlling interest		**19,003,212**	18,331,765
		66,086,658	**48,545,330**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**66,086,658**	**48,545,330**
Attributable to:			
- Shareholder of the Company		**47,083,446**	30,213,565
- Non-controlling interest		**19,003,212**	18,331,765
		66,086,658	**48,545,330**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Statement of changes in equity - for the period ended March 31, 2025

Equity and retained earnings	Attributable to the equity holders of the parent						
	Share Capital	Retained Earnings	Shareholders Current Account	Other Reserves	Total	Non-Controlling Interest	Total
Balance as at March 31, 2023	42,305,000	20,570,839	-	259,749	63,135,588	9,203,064	72,338,652
Additional Share Capital	-	-	-	-	-	78,625	78,625
Retained Earning for Co. Acquisition	-	1,321,394	-	-	1,321,394	423,265	1,744,659
Profit/(Loss) for the Period	-	30,213,565	-	-	30,213,565	18,331,765	48,545,330
Net Movements during the Period	-	(9,909,000)	-	(433,124)	(10,342,124)	(20,765,211)	(31,107,335)
Balance as at March 31, 2024	**42,305,000**	**42,196,798**	-	**(173,375)**	**84,328,423**	**7,271,508**	**91,599,931**
Share Capital Introduced	-	-	-		-	**231,870**	**231,870**
Retained Earning for Co. Acquisition	-	**10,581,117**	-		**10,581,117**	**(148,870)**	**10,432,247**
Profit/(Loss) for the Period	-	**47,083,446**	-		**47,083,446**	**19,003,212**	**66,086,658**
Net Movements during the Period	-	**(19,451,000)**	-	**(10,468,805)**	**(29,919,805)**	**(10,699,538)**	**(40,619,343)**
Balance as at March 31, 2025	**42,305,000**	**80,410,361**	-	**(10,642,180)**	**112,073,181**	**15,658,183**	**127,731,364**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO
DAFZA
Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Cash Flow Statement for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	**66,086,658**	48,545,330
Adjustments:		
Depreciation	**1,192,034**	589,375
Financial Charges	**8,220,808**	3,470,374
Net cash from operating activities	**75,499,500**	**52,605,079**
Changes in working capital		
(Increase)/Decrease in other current assets	**(7,789,735)**	(8,282,618)
(Increase)/Decrease in Trade Receivables	**(91,685,701)**	(100,698,970)
(Increase)/Decrease in Inventory	**861,805**	(861,805)
Due from Related Parties	**(21,557,130)**	(11,961,161)
Increase/(Decrease) in Trade and other payables	**12,630,642**	51,127,350
Due to Related Parties	**3,446,520**	16,309,015
Net cash used from operating activities	**(28,594,099)**	**(1,763,110)**
Cash Flow from investing activities		
Purchase of fixed assets	**(11,102,174)**	(2,006,719)
Sale of Fixed Assets		-
Investments	**(694,619)**	(942,928)
Investment in Security Deposit	-	-
Right to use Assets/ Lease Liabilities	**180,468**	161,736
Investment in Goodwill	**1,296,451**	(2,437,385)
Net cash used in investing activities	**(10,319,874)**	**(5,225,296)**
Cash Flows from financing activities		
Share Capital Introduced	**231,870**	78,625
Finance Charges	**(8,220,808)**	(3,470,374)
Shareholder Current Account	**(30,150,538)**	(30,674,210)
Investment in NCI	**10,432,247**	1,744,659
Other Reserves	**(10,468,805)**	(433,124)
Loan from Bank	**65,790,387**	47,365,250
Net cash generated in financing activities	**27,614,355**	**14,610,826**
Net increase in cash and cash equivalents	**(11,299,615)**	7,622,420
Cash and cash equivalents beginning of period	**30,218,144**	22,595,724
Cash and cash equivalents end of period	**18,918,529**	**30,218,144**
Represented by:		
Cash Balance	**51,480**	31,680
Bank Balance	18,867,049	30,186,464
	18,918,529	**30,218,144**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Rahul Khetty

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

1 LEGAL STATUS :

PDS Multinational FZCO is incorporated on February 01, 2022 under License No.- 4617 issued by Dubai Airport Free Zone Authority, Dubai, UAE

The registered address of the company is Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates.

The company is managed and controlled by following persons:

1.Mr.Deepak Kumar Seth
2.Mr.Rahul Khettry

These consolidated financial statements include the assets, liabilities and the results of operations of PDS Multinational FZCO and its controlled subsidiaries as mentioned below.

Name of Subsidiary	Country of Incorporation	% of Holding
Twins Asia FZCO	Registered in UAE	85%
Design Arc FZCO	Registered in UAE	85%
Poeticgem International FZCO	Registered in UAE	75%
Clover Collections FZCO	Registered in UAE	75%
Collaborative Sourcing Services FZCO	Registered in UAE	75%
Kleider Sourcing FZCO	Registered in UAE	51%
PDS Brands Manufacturing FZCO	Registered in UAE	100%
PDS Sourcing FZCO	Registered in UAE	100%
PDS Logistics FZCO	Registered in UAE	51%
PDS Global Procurment	Registered in UAE	100%
DESIGN HUB SOURCING FZCO	Registered in UAE	60%
PDS Design Services FZCO	Registered in UAE	100%
PDs Lifestyle FZCO	Registered in UAE	100%
DH Sourcing Bangladesh	Registered in Bangladesh	60%
The Source Fashions FZCO	Registered in UAE	70%
Infinty Fashions FZCO	Registered in UAE	100%
Collective Near East Sourcing FZCO	Registered in UAE	100%
PDS Radius Brands FZCO	Registered in UAE	75%
On Me Soho	Registered in UAE	85%
Spring Near East FZCO	Registered in UAE	85%
Simple Approach	Registered in UAE	75%
Tritorn Fashions	Registered in UAE	60%

Name of Joint Venture	Country of Incorporation	% of Holding
PG Capital FZE	Registered in UAE	100%
Yellow Octopus	Registered in UK	50%

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow. These financial statements are prepared on the assumption of going concern basis.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:-

Computer Equipment	3 Years
Office Furniture & Fixture	3 Years
Software	3 Years
IT Equipment	3 Years
Motor Vehicle	5 Years

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

The following amendments which became effective on 1 January 2022 did not have any significant impact on the Company's financial statements:

• Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark - Phase 2 (1 January 2022)

The Company has not early adopted any other amendments, improvements and interpretations that have been issued but is not yet effective

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

• Amendments to IFRS 3 – Reference to Conceptual Framework (1 January 2023)
• Amendments to IAS 37 – Onerous Contracts - Cost of Fulfilling a contract (1 January 2023)
• Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use (1 January 2023)
• Annual Improvements to IFRS Standards 2018-2020 (1 January 2023)
-IFRS 9 Financial Instruments
• Amendments to IAS 1 – Classification of Liabilities as Current or Non-current (1 January 2023)

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
7 Investments		
Investments	44,420,978	43,726,359
	44,420,978	43,726,359
8 Right of Use Assets		
Opening Balance	2,021,028	3,008,606
Addition during the year	969,329	82,759
Depreciation during the year	(1,202,136)	(1,070,337)
	1,788,221	2,021,028
9 Advances and deposits		
DAFZA Portal Balance	206,477	86,014
Prepaid Expenses	6,605,623	1,417,249
Other Receivables	7,789,315	4,473,497
Advance to Employees	-	1,615,640
Security Deposits	1,391,974	163,201
Other Advances	3,264,381	3,712,435
	19,257,770	11,468,036
10 Trade and Other receivables		
Trade Receivables	304,355,670	212,669,969
Less: Provision for Bed Debts	(159,923)	(159,923)
	304,195,747	212,510,046
11 Cash And Cash Equivalents		
Cash balance	51,480	31,680
Bank balance	18,867,049	30,186,464
	18,918,529	30,218,144

12 Share Capital

Authorized, issued and paid up capital of the Company is AED 42,305,000/- divided into 42,305 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
Multinational Textile Group Limited	Registered in Mauritius	100%	42,305	42,305,000

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
13 Retained Earnings		
Balance at the beginning of the Period	42,196,798	20,570,839
Profit/(Loss) for the Period	66,086,658	48,545,330
Retained Earning from investment during the year	10,581,117	1,321,394
Dividend Paid During the period	(19,451,000)	(9,909,000)
NCI share	(19,003,212)	(18,331,765)
Balance at the end of the Period	80,410,361	42,196,798
14 Loan and Factoring		
Secured Loan	22,102,731	38,337,612
HSBC Factoring	92,936,755	68,197,468
ENBD Factoring	34,040,351	-
FAB Factoring	23,245,631	-
	172,325,468	106,535,080
15 Lease Liability		
Opening Balance	1,651,003	2,476,845
Additions	1,709,605	170,788
Finance Cost	81,634	23,330
Payments	(1,844,277)	(1,019,960)
Closing Balance	1,597,965	1,651,003
Current Lease Liability	1,053,830	648,196
Non- Current Lease Liability	544,135	1,002,807
16 Trade & Other Payables		
Trade Payables	100,522,506	96,538,215
Audit fees Payable	101,792	198,395
Other Payables	13,061,874	5,495,908
VAT Payable	1,932,870	755,881
	115,619,042	102,988,399

17 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

Transactions with related party included in the Financial statements are as follows:

Amount due from related parties	As on 31.03.2025	As on 31.03.2024
Clover Collection Limited	14,099,356	18,207,725
Design Arc UK Ltd	-	412
Good Earth Lifestyle Limited	-	25,508
Multinational Textile Group Limited	-	14,766,774
New Lobster Limited	2,348,635	1,361,314
Poeticgem Limited	14,826,926	2,017,535
Progress Manufacturing HK Ltd	19,497	88,248
Simple Approach Limited	7,526,189	37,687
Spring Near East Fzco	2,725,707	-
Adaptive Fashion Limited	270,722	-
DBS Lifestyle Limited	55,171	-
Kleider Sourcing Hong Kong Limited	1,975	-
Krayon Sourcing Limited	27,828	-
PDS Fashions Hong Kong Limited	192,088	-
PDS Multinational India HO	1,986,746	-
Poeticgem International Limited	11,800,700	-
Roksanda UK Limited	154,001	-
SKOPE APPARELS FZCO - 2290	1,169,330	-
Sourcing Solution Limited	69,362	-
Vivere London Limited	788,100	-
	58,062,333	36,505,203

Amount due to related parties	As on 31.03.2025	As on 31.03.2024
Design Arc UK Ltd	2,112,461	885,107
Norwest Industries Ltd.	1,305,286	420,626
PDS Fashion Ltd	6,405,312	1,459,146
Poeticgem International Ltd.	-	11,800,742
Design Arc Asia Limited	2,699,323	2,128,600
GoodEarth Apparels Limited	-	10,542,585
Multinational Textile Group Limited	9,707,807	-
PDS Brands Manufacturing Limited	359,464	188,271
PDS Tailoring Limited	-	553,348
PDS Limited	-	2,082,997
PDS Sourcing Limited	-	14,483
SKOPE Apparels FZCO	-	91,420
Poetic Brands Limited	-	168,325
Progress Apparels (Bangladesh) Limited	5,944,204	4,383,698
Spring Near East FZCO	-	1,207,354
Twins Asia Limited	2,194,547	3,544,298
Green Smart Shirts Limited	10,125,485	-
OLE Fashion Limited	6,525	-
PDS Far East USA	33,423	-
PDS Trading Shanghai Co. Ltd	463,303	-
Rising Asia Star Hk Ltd	1,469,103	-
Twins Asia Limited - Mirror	91,277	-
	42,917,520	39,471,000

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

18 Revenue	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Revenue-Sales	1,097,467,089	862,789,360
Revenue-Service	48,922,270	16,587,467
Commission Income	27,988,343	13,736,893
	1,174,377,702	893,113,720

19 Cost of Revenue		
Cost of Goods Sold	936,789,066	740,404,009
	936,789,066	740,404,009

20 Other Income		
Penalties on supplies	999,167	338,337
Claim on supplies	11,524,262	7,273,284
Forex gain/(loss)	(686,570)	129,348
Miscellaneous income	1,405,138	2,908,054
Dividend Income	-	225,818
	13,241,997	10,874,841

21 General & Administrative Expenses		
Administration Charges	10,452,071	3,953,926
Discount on supplies	6,052,795	5,384,686
Business Promotion Exp	64,412,053	41,173,908
Commission Expense	3,032,664	1,737,853
Director Remuneration	1,981,800	1,862,525
Salaries and Staff Welfare Expense	72,347,023	44,677,437
Insurance Exp	938,355	421,193
Legal & Professional Charges	5,295,965	6,033,043
License Expense	380,011	370,950
Office Expenses	1,606,471	1,426,839
Rent Expense	1,866,657	670,034
Repairs & Maintenance	161,919	112,258
Travelling Exp	3,082,353	1,508,731
Selling & Distribution	1,478,577	1,238,217
Telecommunication exp	210,845	105,754
Visa Expenses	90,848	78,372
	173,390,407	110,755,726

22 Finance Cost		
Bank Charges & Interest	8,220,808	3,470,374
	8,220,808	3,470,374

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

23 RISK MANAGEMENT

23.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

23.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

23.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

24 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 1, 2024 to March 31, 2025. The previous year covers the period of 12 months from April 1, 2023 to March 31, 2024. The previousyear figures might be regrouped, rearranged or reclassified.

25 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 14, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Financial Position as at March 31, 2025

4 Property, Plant and Equipment

	Office Equipment	Furniture & Fixture	IT Equipments	Motor Vehicles	Leasehold Building	Computer Software	Total
Cost :							
As at March 31, 2023	121,785	236,788	212,917	-	-	589,549	1,161,039
Additions during the period	64,273	350,837	32,180	1,222,263	252,274	84,892	2,006,719
As at March 31, 2024	**186,058**	**587,625**	**245,097**	**1,222,263**	**252,274**	**674,441**	**3,167,758**
Additions during the period	243,447	24,983	74,331	-	396,990	10,362,423	11,102,174
Sale of Asset	-	-	-	-	-	-	-
As at March 31, 2025	**429,505**	**612,608**	**319,428**	**1,222,263**	**649,264**	**11,036,864**	**14,269,932**
Depreciation:							
As at March 31, 2023	20,750	22,504	22,605	-	-	15,117	80,976
Depreciation during the period	40,363	65,756	83,683	138,256	56,374	204,943	589,375
As at March 31, 2024	**61,113**	**88,260**	**106,288**	**138,256**	**56,374**	**220,060**	**670,351**
Depreciation during the period	62,187	71,291	103,940	244,538	320,168	389,910	1,192,034
As at March 31, 2025	**123,300**	**159,551**	**210,228**	**382,794**	**376,542**	**609,970**	**1,862,385**
Net Book Value							
As at March 31, 2025	**306,205**	**453,057**	**109,200**	**839,469**	**272,722**	**10,426,894**	**12,407,547**
As at March 31, 2024	**124,945**	**499,366**	**138,809**	**1,084,007**	**195,900**	**454,381**	**2,497,407**

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

SNE MODA TASARIM SAN.VE TİC.A.Ş.		
01/04/2024-31/03/2025 INCOME STATEMENT		
PROFIT & LOSS STATEMENT	TURKISH LIRA	USD
A- GROSS SALES	188,099,971	5,374,285
1-DOMESTIC SALES	1,269,539	36,273
2-EXPORT SALES	183,264,272	5,236,122
3-OTHER REVENUE	3,566,160	101,890
B- SALES DISCOUNTS (-)	998,750	28,536
1-SALES RETURNS (-)	81,029	2,315
2-OTHER DISCOUNTS (-)	917,721	26,221
C- NET SALES	187,101,221	5,345,749
D- COST OF GOODS SOLD (-)	159,966,739	4,570,478
1-COST OF GOODS SOLD (-)	159,966,739	4,570,478
GROSS PROFIT / (LOSS)	27,134,482	775,271
E- OPERATING EXPENSES (-)	29,916,483	854,757
1-GENERAL ADMINISTRATIVE EXPENSES (-)	29,916,483	854,757
PROFIT / (LOSS) FROM OPERATIONS	-2,782,001	- 79,486
F- OTHER OPERATING INCOME	1,800,839	51,453
1-INTEREST INCOME	815,624	23,304
2-PROFIT ON SECURITIES SALES	350,250	10,007
3-FOREIGN EXCHANGE GAINS	631,209	18,035
4-OTHER OPERATING INCOME AND GAINS	3,756	107
G- OTHER OPERATING EXPENSES (-)	199,414	5,698
1-FOREIGN EXCHANGE LOSS (-)	199,414	5,698
H- FINANCIAL EXPENSES (-)	163,026	4,658
1-SHORT TERM FINANCIAL EXPENSES (-)	163,026	4,658
ORDINARY PROFIT / (LOSS)	-1,343,602	- 38,389
I- EXTRAORDINARY INCOME	673,253	19,236
1-OTHER EXTRAORDINARY INCOME	673,253	19,236
J- EXTRAORDINARY EXPENSES (-)	523,716	14,963
1-OTHER EXTRAORDINARY EXPENSES (-)	523,716	14,963
PROFIT / (LOSS) FOR THE PERIOD	-1,194,064	- 34,116
K- PROVISION FOR COMPANY TAX (-)	-	-
NET PROFIT / (LOSS) FOR THE PERIOD	-1,194,064	- 34,116

WE ACCEPT AND COMMIT THE CORRECTNESS OF THE INFORMATION REGARDING INCOME STATEMENT DATA PROVIDED BY US.

sne MODA

SNE Moda Tasarım

SARIGAZİ V.D.: 7721642764

BALANCE SHEET

SNE MODA TASARIM SAN.VE TİC.A.Ş.

31.03.2025

ASSETS		37.7656	LIABILITIES		37.7656
	TURKISH LIRA	USD		TURKISH LIRA	USD
I- CURRENT ASSETS	50,936,128	*1,348,744*	**I- SHORT-TERM LIABILITIES**	60,086,599	*1,591,041*
A-CASH & EQUIVALENTS	7,008,676	*185,584*	**A-FINANCIAL LIABILITIES**	519,095	*13,745*
3-BANKS	7,008,676	*185,584*	1-BANK LOANS	519,095	*13,745*
B-SECURITIES	2,080,043	*55,078*	**B-TRADE PAYABLES**	40,388,515	*1,069,452*
4-OTHER SECURITIES	2,080,043	*55,078*	1-SUPPLIERS	40,388,515	*1,069,452*
C-TRADE RECEIVABLES	10,407,072	*275,570*	**C-OTHER LIABILITIES**	2,210,103	*58,522*
1-CUSTOMERS	10,407,072	*275,570*	1-DUE TO SHAREHOLDERS	385,000	*10,194*
D-OTHER RECEIVABLES	6,763,975	*179,104*	4-DUE TO PERSONNEL	1,825,103	*48,327*
5-OTHER MISCELLANEOUS RECEIVABLES	6,763,975	*179,104*	**D-ADVANCES RECEIVED**	16,039,235	*424,705*
E-INVENTORIES	24,634,056	*652,288*	1-ADVANCES RECEIVED	16,039,235	*424,705*
1-RAW MATERIALS AND SUPPLIES	22,535,743	*596,727*	**F-TAXES & DUTIES PAYABLE**	929,651	*24,616*
7-ADVANCES GIVEN TO SUPPLIERS	2,098,313	*55,561*	1-TAXES & FUNDS PAYABLE	333,310	*8,826*
G-PREPAID EXPENSES & ACCRUED INCOME	39,573	*1,048*	2-SOCIAL SECURITY PREMIUMS PAYABLE	571,883	*15,143*
1-PREPAID EXPENSES FOR FUTURE MONTHS	39,573	*1,048*	4-OTHER LIABILITIES PAYABLE	24,458	*648*
H-OTHER CURRENT ASSETS	2,732	*72*	**G-PROVISIONS FOR LIABILITIES & EXPENSES**	0	*0*
1-DEFERRED VAT	385	*10*	1-PROVISIONS FOR LIABILITIES	0	*0*
4-PREPAID TAXES AND FUNDS	2,347	*62*	**II- LONG-TERM LIABILITIES**	0	*0*
II- FIXED ASSETS	8,072,177	*213,744*	**A-FINANCIAL LIABILITIES**	0	*0*
A-TRADE RECEIVABLES	1,044	*28*	1-BANK LOANS	0	*0*
5-DEPOSITS & GUARANTEES GIVEN	1,044	*28*			*0*
D-TANGIBLE FIXED ASSETS	5,811,813	*153,892*			*0*
4-MACHINERY, EQUIPMENT & INSTALLATIONS	2,846,870	*75,383*	**III- EQUITY**	-1,078,296	*-28,552*
5-MOTOR VEHICLES	1,959,357	*51,882*	**A-SHARE CAPITAL**	250,000	*6,620*
6-FURNITURE & FIXTURES	1,935,939	*51,262*	1-PAID-UP CAPITAL	250,000	*6,620*
8-ACCUMULATED DEPRECIATION (-)	-930,354	*-24,635*	**E-LOSS FOR PREVIOUS YEARS (-)**	-134,231	*-3,554*
E-INTANGIBLE FIXED ASSETS	2,073,128	*54,895*	1-LOSS FOR PREVIOUS YEAR	-134,231	*-3,554*
1-RIGHTS	87,234	*2,310*	**F-NET PROFIT / (LOSS) FOR THE PERIOD**	-1,194,064	*-31,618*
5-SPECIAL COSTS	1,987,229	*52,620*	2-NET PROFIT FOR THE PERIOD	-1,194,064	*-34,116*
7-ACCUMULATED DEPRECIATION (-)	1,335	*35*			
G-PREPAID EXPENSES & ACCRUED INCOME	186,192	*4,930*			
1-PREPAID EXPENSES FOR FUTURE YEARS	186,192	*4,930*			
TOTAL ASSETS	59,008,304	*1,562,488*	TOTAL LIABILITIES	59,008,304	*1,562,488*

USD EXC : 37.7656

WE ACCEPT AND COMMIT THE CORRECTNESS OF THE INFORMATION REGARDING BALANCE SHEET DATA PROVIDED BY US.

sne MODA SNE Moda Tasarım Sanayi ve Ticaret A.Ş. ... Sk. No: 23 ... İstanbul/TÜRKİYE SARIGAZİ V.D.: 7721642764

SERBEST MUHASEBECİ MALİ MÜŞAVİR

www.krishna-r.com
rk@krishna-r.com
+91 11 45066434

INDEPENDENT AUDITOR'S REPORT

To

The Members of SURI OVERSEAS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Suri Overseas Private Limited ("the Company") which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its losses including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone Ind-AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind-AS financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and 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 Board of Directors are also 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 standalone Ind-AS 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 SAs 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 standalone Ind-AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind-AS 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

KRISHNA R. & ASSOCIATES
New Delhi
Chartered Accountants

- 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 standalone Ind-AS financial statements, including the disclosures and whether the standalone Ind-AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind-AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls refer to our separate report in Annexure 2, wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigation which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company:

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.

   vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, the

KRISHNA R & ASSOCIATES * New Delhi * Chartered Accountants

company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility, however the same was not enabled from 1 April 2024 to 10 May 2024 for all transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For Krishna R & Associates
Chartered Accountants
FRN: 036571N

Anirudh Gupta

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKG5393

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Annexure '1'

(The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Suri Overseas Private Limited ("the Company"):

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of the audit, we state that:

i) In respect of the Company's property, plant and equipment, right-of-use assets, and intangible assets:
   a) There are no Property, Plant, and Equipment held by the Company during the current financial year, and accordingly, the requirement to report on clause 3(i)(a) of the Order is not applicable to the Company;
   b) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the company, and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable on the company;
   c) The Company has neither revalued any of its Property, Plant, and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
   d) There are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made thereunder. Accordingly, the requirement to report on 3(i)(d) of the Order is not applicable to the Company.

ii)
   a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
   b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in the aggregate, at any point during the year, from banks on the basis of security of current assets. Accordingly, the requirement to report on 3(ii)(b) of the order is not applicable to the Company.

iii) During the year, the company has not made an investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on 3(iii)(a) to (f) of the Order is not applicable to the Company.

iv) There are no Loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable and accordingly the requirement to report on Clause 3(iv) of the Order is not applicable to the Company.

v) As informed to us, the Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposit within the meaning of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, the requirement to report on 3(v) of the order is not applicable to the Company.

vi) Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014 (as amended from time to time).

vii) In respect of statutory dues:
   a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value

KRISHNAR & ASSOCIATES New Delhi * Chartered Accountants * added tax, cess and other statutory dues to the appropriate authorities applicable to it. According to the information and explanation given to us based on the audit procedure performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year-end for a period of six months from the date they become payable.

b) According to the information and explanations given to us, there is no dues of goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues that have not been deposited on account of any dispute.

viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transactions, previously unrecorded income in the books of accounts, in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on 3(viii) of the order is not applicable to the Company.

ix)

a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable
b) The Company is not declared a wilful defaulter by any bank, financial institution, or other lender.
c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
d) On an overall examination of the Financial Statements of the Company, no funds raised on a short-term basis have not been utilized for long-term purposes.
e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
f) The company has not raised any loans accordingly, the requirement to report on 3(ix)(f) of the order is not applicable to the Company.

x)

a) The Company has not raised money during the year through an initial public offer or further public offer (including debt instruments) or term loans. Accordingly, the requirement to report on clause 3 (x)(a) of the Order is not applicable.
b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

xi)

a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
b) During the year no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) As represented to us by the management, the Company has not received any whistle-blower complaints by the company during the year.

xii) The Company is not a Nidhi Company as per the provision of the Companies Act,2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the company.

xiii) Transaction with the related parties in compliance with Sections 177 and 188 of the Companies Act 2013, where applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

xiv) The Company is exempted from getting an audit opinion on an internal system commensurate with the size and nature of its business hence reporting under clause 3(xiv) of the Order is not applicable.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

xv) During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors. Accordingly, provisions of Section 192 of the Act are not applicable to the company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the requirement to report on 3(xviii) of the order is not applicable to the Company.

xix) On the basis of the financial ratio disclosed in the financial statements, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The provision of section 135 of the Companies Act, 2013, in relation to corporate social responsibility is not applicable to the company. Accordingly, the requirement to report on 3(xx) of the order is not applicable to the Company.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

Anirudh Gupta

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKG5393

Annexure '2'

<u>The Annexure referred to in paragraph under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date</u>

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls with reference to standalone financial statements of the Company as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements:

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKG5393

Suri Overseas Private Limited

Balance Sheet as at March 31, 2025

(Figures In '000')

Particulars	Note	As at 31st March, 2025	As at 31st March, 2024
I. ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Financial assets			
Loans		-	-
Other financial assets	3	10.00	-
Non-current tax assets (net)	4	1,059.06	998.30
Total non-current assets		**1,069.06**	**998.30**
2 Current assets			
Inventories		-	-
Financial assets			
Trade receivables	5	-	617.48
Cash and cash equivalents	6	499.10	2,161.06
Other current assets	7	2,575.06	2,656.19
Total current assets		**3,074.15**	**5,434.74**
Total Assets		**4,143.21**	**6,433.03**
II. EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	8	209.20	209.20
Other equity	9	778.97	959.64
Total equity		**988.17**	**1,168.84**
2 Liabilities			
(I) Current liabilities			
Financial liabilities			
Trade payables	10	24.95	16.10
Borrowings	11	3,100.00	-
Other current liabilities	12	3.09	5,203.09
Provisions	13	27.00	45.00
Total current liabilities		**3,155.04**	**5,264.19**
Total liabilities		**3,155.04**	**5,264.19**
Total equity and liabilities		**4,143.21**	**6,433.03**

Significant Accounting Policies 2

Notes forming part of the financial statements 17-27

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

Anirudh Gupta

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKG5393

Place: New Delhi

Date: 12/05/2025

Krishna R & Associates New Delhi Chartered Accountants

For and on behalf of the Board of Directors

Suri Overseas Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 06533944	DIN 03014466	DIN 06990721

Suri Overseas Private Limited

Statement of Profit and Loss for the period ending 31 March 2025

(Figures In '000')

Particulars	Note	Year end 31st March, 2025	Year end 31st March, 2024
I. **Income**			
Revenue from operations		-	-
Other income	14	60.84	0.35
Total income		**60.84**	**0.35**
II. **Expenses**			
Purchase of Stock-in-trade		-	-
Changes in inventories of finished goods, stock- in-trade and work-in-progress		-	-
Finance costs	15	-	48.49
Depreciation and amortization expense		-	-
Other expenses	16	302.27	163.55
Total expenses		**302.27**	**212.04**
III. **Profit /(Loss) before exceptional items and tax**		(241.43)	(211.70)
IV. **Exceptional items**		-	-
V. **Profit /(Loss) before tax**		**(241.43)**	**(211.70)**
VI. **Income tax expense**			
Current tax		-	-
Deferred tax		(60.76)	32.48
Total income tax expense		**(60.76)**	**32.48**
VII. **Profit/(Loss) for the year (V-VI)**		**(180.67)**	**(244.17)**
VIII. **Other comprehensive income**		-	-
VIII. **Total other comprehensive income for the year**		-	-
IX. **Total comprehensive income for the year (VII + VIII)**		**(180.67)**	**(244.17)**
X. **Earnings / (Loss) per share**			
Basic earnings /(loss) per share (INR)		(86.4)	(116.7)
Diluted earnings /(loss) per share (INR)		(86.4)	(116.7)

Significant Accounting Policies 2

Notes forming part of the financial statements 17-27

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKG5393

Place: New Delhi

Date 12/05/2025

For and on behalf of the Board of Directors

Suri Overseas Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 06533944	DIN 03014466	DIN 06990721

Suri Overseas Private Limited
Cashflow Statement for the period ending 31 March 2025

(Figures In '000')

Particulars	For the Year end 31st March, 2025	For the Year end 31st March, 2024
I. Cash flow from operating activities		
1 Net profit before tax	(241.43)	(211.70)
Adjustment for:		
Finance cost	-	48.49
Adjustment on account of OCI	-	-
2 Operating profit before working capital change	(241.43)	(163.20)
Adjustments for:		
Trade and other receivable	617.48	-
Inventories	-	-
Trade and other payable	8.85	-
Other Financial Assets	(10.00)	-
Other current Assets	81.13	(33.82)
Other current liabilities	(5,200.00)	(34.49)
Provisions	(18.00)	(308.52)
Current tax assets (net)	-	-
3 Cash generated from operations	(4,761.97)	(540.03)
Direct taxes paid	-	-
Net cash flow from operating activities	(4,761.97)	(540.03)
II. Cash flow from investing activities		
Proceed from Investment	-	-
Net cash flow from investing activities	-	-
III. Cash flow from financing activities		
Finance cost	-	(48.49)
Proceeds from Borrowings	3,100.00	-
Net cash flow from financing activities	3,100.00	(48.49)
IV. Net increase/ (decrease) in cash and cash equivalent	(1,661.97)	(588.53)
Cash and cash equivalent at beginning of the year	2,161.06	2,749.59
Cash and cash equivalent at the end of the year	499.10	2,161.06

Notes forming part of the financial statements

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNZKG5393
Place: New Delhi
Date: 12/05/2025

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

For and on behalf of the Board of Directors
Suri Overseas Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 06533944	DIN 03014466	DIN 06990721

Suri Overseas Private Limited

Statement of changes in equity for the period ending 31 March 2025

A) Equity Share Capital

(Figures In '000')

Particulars	31st March, 2025		31st March, 2024	
	No. of Share	Amount	No. of Share	Amount
Numbers of Equity Shares outstanding at the beginning	2,092.00	209.20	2,092.00	209.20
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	**2,092.00**	**209.20**	**2,092.00**	**209.20**

B) Other Equity:

Particulars	Reserve & Surplus			
	Revaluation Reserve	Security Premium	Retained Earnings	Total
Balance as at 31st March, 2024	-	-	1,203.81	**1,203.81**
Profit/(Loss) for the year	-	-	(244.17)	(244.17)
Other Comprehensive income (net of tax)	-	-	-	-
Transfer to/ (From)	-	-	-	-
Balance as at 31st March, 2025	-	-	959.64	**959.64**

Notes forming part of the financial statements

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKG5393

Place: New Delhi

Date: 12/05/2025

For and on behalf of the Board of Directors

Suri Overseas Private Limited

Rahul Ahuja	**Bhawnish Suri**	**Divya Sahni**
Director	Director	Director
DIN 06533944	DIN 03014466	DIN 06990721

Suri Overseas Private Limited

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

1. Corporate Profile

Suri Overseas Private Limited was incorporated and domiciled in India on September 14, 1981 having its registered office at A-161, 3rd Floor New Friends Colony, New Delhi, 110025. The company is engaged in designing and manufacturing of cloth apparel including source intermediary services to clients in India as well as outside the country. Company gets its products manufactured through source manufacturing from various manufacturers and sell its products to client on bill to ship to model

2. Significant Accounting Policies followed by the Company

2.1. Basis of Preparation of Financial Statements

a) Statement of Compliance with Ind AS

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

b) Historical cost convention

The standalone financial statements have been prepared on the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. Further, the financial statements are presented in ₹, and all values are rounded to the nearest thousand except otherwise stated.

c) Going concern

The Board of Directors of the Company has considered the financial position of the Company as on March 31, 2025 and the financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors has taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.2. Use of estimates and judgements

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized when the results are known/materialized.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

a) Judgements:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the standalone financial statements:

(i). Useful lives of property, plant, and equipment

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b) Estimates and Assumptions:

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 described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

(i). Income taxes

As a company operating in India, the Company is subject to applicable income tax laws. Given the complexity of tax calculations and uncertainties in determining the ultimate tax liability for many transactions, significant judgment is required when calculating the provision for income taxes. The Company records estimated liabilities for anticipated tax issues and adjusts them as necessary based on changes in the final tax outcome. Any differences between the initially recorded amounts and the final tax liability will impact the income tax and deferred tax provisions in the period in which the final determination is made.

(ii). Allowance for doubtful debts

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

(iii). Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(iv). Recoverability of deferred taxes

In the process of evaluating the recoverability of deferred tax assets, the management of the Company assesses the probability of available taxable profit against which losses can be utilized. The realization of deferred tax assets ultimately depends on future taxable income generated during the periods in which temporary differences become deductible. To make this determination, management considers projected future taxable income and tax planning strategies.

(v). Defined benefit plans

The Company has assumes the present value of the liability towards the gratuity, bonus and compensated absences for such employees based on the actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, retirement age, and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is an assumption for the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at the interval in response to demographic changes.

2.3. Property, Plant, and Equipment & Intangibles (including Capital Work-in-Progress)

a) Property, Plant, and Equipment

Property, plant and equipment (PPE) and capital work in progress are reported at cost less accumulated depreciation, recoverable taxes and accumulated impairment losses, if any. Costs of Assets include expenditures directly attributable to the acquisition of the asset.

An item of PPE and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from the de-recognition, which is determined as the difference between the net disposal proceeds and the carrying amount of the asset, shall be recognized in the statement of profit and loss as other income or expense, as applicable, in accordance with relevant legal and accounting standards.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and the cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation on PPE, is provided on straight-line method over the useful lives of assets as per Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged to the Statement of Profit and Loss.

The company earlier had policy of providing depreciation on Written Down Value. Due to structural change in the company and to in-line with the policies of Holding company, the company has adopted a policy change in this year. However since company does not own any PPE, there is no financial impact of such policy changes.

The estimated useful lives of items of PPE are as follows:

Asset	Useful life
Computers	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Plant and Machinery	15 years

b) Intangible assets

Intangible assets (Intellectual property) are stated at cost, net of accumulated amortization, and accumulated impairment losses (if any). The cost comprises the purchase price, borrowing cost (if capitalization criteria are met), and costs directly attributable to bringing the asset to its working condition for the intended use. Any trade discounts and rebates received on the purchase of intangible assets are deducted in arriving at the purchase price.

As of 31st March, 2025, the Company did not own any Intangible assets.

Amortization on Intangibles Assets (other than goodwill) is provided on a straight-line method over the useful lives of assets as per Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged to the Statement of Profit and Loss.

The estimated useful lives of items of PPE are as follows:

Asset	Useful life
Intangible Assets	10 years

2.4. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realized or intended to be sold or consumed in the normal operating cycle.
ii) Held primarily for the purpose of trading
iii) Expected to be realized within twelve months after the reporting period, or
iv) 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. "

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Liabilities:

A liability is current when:

i) It is expected to be settled in the normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no 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.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5. Borrowing costs

Borrowing costs consist of interest, ancillary costs, and other costs in connection with borrowing funds.

Interest and other borrowing costs attributable to qualifying assets are capitalized up to the date such assets are ready for their intended use. Other interest and borrowing costs are charged to the Statement of Profit and Loss.

2.6. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.7. Foreign currency transaction

a) Functional and presentation currency

The financial statements of the Company are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

b) Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

c) Conversion

At the year-end, monetary items denominated in foreign currency are revalued at year-end exchange rates. In the case of monetary items covered by forward exchange contracts, the difference between the year-end and rate on the contract date is recognized as the exchange difference and the premium or discount on Forward contracts is amortized over the life of the contract.

Non-monetary foreign currency items, which are measured in terms of historical cost, are reported using the exchange rate prevailing at the transaction date.

KRISHNAR & ASSOCIATES
New Delhi
Chartered Accountants

2.8. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments

a) **Financial assets**

<u>Initial recognition and measurement</u>

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognized at fair value. In the case of financial assets recognized at fair value through profit or loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

<u>Classification and subsequent measurement</u>

For purposes of subsequent measurement, financial assets are classified in following categories:
- Financial asset carried at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair value through profit or loss."

- **Equity investment**

Investments representing equity interest in associates/subsidiaries are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc."

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Income and Expense are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.9. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses appropriate valuation techniques in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.10. Revenue recognition

The Company recognizes revenue from contracts with customers when the control of the goods or services is transferred to the customer. The amount of revenue recognized reflects the consideration expected to be received by the Company in exchange for those goods or services. The revenue recognized by the Company does not include statutory levy viz Goods & Services Tax, and is net of the trade discounts.

When a contract includes a variable amount of consideration, the Company estimates the amount of consideration it is likely to receive in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until the end of the contract so that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money

The Company derives revenues primarily from Sale of traded goods.

a) **Sale of Goods**

Revenue generated from the Sale of goods is recognized at the point in time when control of the promised goods is transferred to the customer, which satisfies the performance obligation. The recognition of the said revenue is based on the probable flow of the economic benefits to the Company and the reliable measurement of income with no uncertainty for the ultimate revenue collection.

b) **Other income**

(i) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue or loss in the statement of Profit & Loss.

(iii) Any other income is recognized on an accrual basis.

2.11. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 Company assesses whether: *(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.*

a) **Company as a lessee**

At the lease commencement date, the Company recognizes right-of-use assets and lease liabilities on the balance sheet. The right-to-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the Company, and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date of lease, the Company measures the lease liabilities at the present value of the lease payments to be made over the lease term, discounted using the interest rate

KRISHNA R & ASSOCIATES * New Delhi * Chartered Accountants

implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

b) Company as a lessor

Leases for which the Company is a lessor classified as a finance or operating lease.

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.12. Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected

b) Other long-term employee benefit obligations

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating the related obligation's terms. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

c) Post-employment obligations

The Company operates the following post-employment schemes:

(i) defined benefit plans such as gratuity; and
(ii) defined contribution plans such as provident fund etc.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

To account for the liability for gratuity benefits payable in the future, the Company uses an independent actuarial valuation report based on the projected unit credit method as at the year-end. The obligations are measured at the present value of estimated future cash flows. The discount rate used is generally based on the market yields available on Government bonds at the reporting date, with a term that matches that of the liabilities.

Any re-measurements, including actuarial gains and losses, and the effect of changes to the asset ceiling, if applicable, are immediately reflected in Other Comprehensive Income in the Statement of Profit and Loss. All other expenses related to defined benefit plans are recognized in the Statement of Profit and Loss as employee benefit expenses. In case of curtailment or settlement of any defined benefit plan, gains or losses are recognized when the curtailment or settlement occurs.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution plans and contributions paid / payable are recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

2.13. Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary items.

(i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(ii) For calculating Diluted Earning per share the amounts utilized in computing basic earnings per share shall include the post-income tax effect of interest and other financing expenses related to dilutive potential equity shares, along with the weighted average number of additional equity shares that would be outstanding in the event of conversion of all dilutive potential equity shares.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

2.14. Provision for Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all temporary deductible differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.15. Provisions and contingent liabilities

Provisions are recognized 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 the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

2.16. Exceptional items

When items of income and expense within the statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Suri Overseas Private Limited
Notes to Standalone Financial Statements for the period ended 31st March, 2025

NOTE 3: OTHER FINANCIAL ASSETS

(Figures In '000')

Particulars	As at 31st March 2025	As at 31st March 2024
Security Deposit with NSDL	10.00	-
Total	10.00	-

NOTE 4: NON-CURRENT TAX ASSETS (NET)

Significant components of net deferred tax assets & liabilities as on 31.03.2025

(Figures In '000')

Particulars	As at 31st March 2025	Recognised through P&L A/c	Recognised through OCI	As at 31st March 2024
Deferred Tax Liability				
Property, Plant & Equipment and other Intangible assets	-	-	-	-
Cash flow hedge	-	-	-	-
Deferred Tax Assets	-			
On Account of	-			
Finance Cost	-	-	-	-
Carried forward business losses/unabsorbed depreciation	1,059.06	60.76	-	998.30
Other timing difference	-	-	-	-
Provision for Employee Benefit Expenses	-	-	-	-
Deferred Tax Assets (Liability)	1,059.06	60.76	-	998.30

Significant components of net deferred tax assets & liabilities as on 31.03.2024

(Figures In '000')

Particulars	As at 31st March 2024	Recognised through P&L A/c	Recognised through OCI	As at 31st March 2023
Deferred Tax Liability				
Property, Plant & Equipment and other Intangible assets	-	-	-	-
Cash flow hedge	-	-	-	-
Deferred Tax Assets	-			
On Account of	-			
Finance Cost	-	-	-	-
Carried forward business losses/unabsorbed depreciation	998.30	(32.48)	-	1,030.77
Other timing difference	-	-	-	-
Provision for Employee Benefit Expenses	-	-	-	-
Deferred Tax Assets (Liability)	998.30	(32.48)	-	1,030.77

NOTE 5: TRADE RECEIVABLES

Particulars	As at 31st March 2025	As at 31st March 2024
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	-	617.48
Less: Provision for doubtful debts		-
Total	-	617.48

a) The compnay has no recivables which have significant increase in credit risk.

b) No trade or trade recivable are due from directors or other officiars of the company either severally or jointly with any other person.

NOTE 6: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2025	As at 31st March 2024
Balance with Bank		
In Current Accounts	223.20	1,885.17
Cash in hand	275.89	275.89
(as certified by management)		
Total	499.10	2,161.06

KRISHNAR & ASSOCIATES New Delhi Chartered Accountants

NOTE 7: OTHER CURRENT ASSETS

Particulars	As at 31st March 2025	As at 31st March 2024
Balances with Govt. Authorities	2,308.67	2,390.30
Less : Provision for Balances with Govt. Authorities	-	-
	2,308.67	2,390.30
Advances to Suppliers	266.38	265.89
Less : Provision for advance to Suppliers	-	-
	266.38	265.89
Total	2,575.06	2,656.19

NOTE 8: EQUITY SHARE CAPITAL

Particulars	As at 31st March 2025	As at 31st March 2024
Share Capital		
Authorised		
3,000 Equity shares of Rs. 100/- each	300.00	300.00
Issued, Subscribed and Paid -up		
2,092 equity shares of RS 100/- each fully paid- up for cash	209.20	209.20
Total	209.20	209.20

8.1 The reconciliation of The number of shares and The amount outstanding is set out below

Particulars	As at 31st March, 2025 No. of Shares	Amount	As at 31st March, 2024 No. of Shares	Amount
Numbers of Equity Shares outstanding at the beginning	2,092.00	209.20	2,092.00	209.20
Add: Equity Shares issued during the year	-	-	-	
Numbers of Equity Shares outstanding as at the year end	2,092.00	209.20	2,092.00	209.20

8.2 Terms/ Rights attached to Equity shares

The Company has only one class of Equity Shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share. The dividend (Interim and Final), if any proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

8.3 Equity Shareholding more than 5% of Issued, Subscribed and Fully Paid up.

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Percentage	No. of Shares	Percentage
DBS Lifestyle Private Limited	2,077	99.28%	2,077	99.28%
	2,077	99.28%	2,077	99.28%

NOTE 9: OTHER EQUITY

Particulars	As at 31st March 2025	As at 31st March 2024
Reserves and Surplus		
Retained Earning		
Opening Balance	959.64	1,203.81
Add:For the year	(180.67)	(244.17)
Total	778.97	959.64

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

NOTE 10: TRADE PAYABLES

Particulars	As at 31st March 2025	As at 31st March 2024
Due to Other	24.95	16.10
Total	24.95	16.10

NOTE 11: BORROWINGS

Particulars	As at 31st March 2025	As at 31st March 2024
Loan from Related Party	3,100.00	-
Total	3,100.00	-

NOTE 12: OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2025	As at 31st March 2024
Advance from Customer	-	5,200.00
Liability for expenses	3.09	3.09
Total	3.09	5,203.09

NOTE 13: PROVISIONS

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for Audit Fees	27.00	45.00
Total	27.00	45.00

(Figures In '000')

NOTE 14: OTHER INCOME

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Interest Income		
- on income taxes	-	0.35
Miscellaneous income	60.84	-
Total	60.84	0.35

NOTE 15: FINANCE COSTS

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Processing fee	-	48.49
Total	-	48.49

NOTE 16: OTHER EXPENSES

Particulars	Year Ended 31st March 2025	Year Ended 31st March 2024
Legal & Professional Fees	142.90	72.50
Insurance	-	6.51
Rates & Taxes	113.35	11.34
Bank Charges	12.39	
Miscellaneous Expenses	3.63	11.40
Payment to Auditors		
- Audit Fees	30.00	50.00
- Other Matters	-	11.80
Total	302.27	163.55

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

17. As per Ind-AS 19 "Employee benefits", the disclosures as defined are given below:

There are no employees in Suri Overseas Private Limited, so no employee benefits or other contribution plans have been provided or recognised by the Company as of 31 March 2025. Thus, no disclosures need to be made in this financial statement.

18. As per Ind-AS 33 "Earning Per Share", the disclosures as defined are given below:

Particulars	**2024-25**	**2023-24**
Face Value per equity share	100	100
Basic and Diluted Earnings per Share (₹)	(86.4)	(116.7)
Net Profit/(Loss) as per Statement of Profit and Loss attributable to Owners of the Company (₹)	(1,80,670)	(2,44,200)
Weighted average number of equity shares outstanding during the year	2,092	2,092

Reconciliation of weighted average number of shares outstanding

Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	2,092	2,092
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	2,092	2,092

19. Commitments and Contingent Liabilities as per Ind-AS 37:

There are no contingent liabilities or capital commitments outstanding as on 31st March 2025 upon the entity thus no provisions, contingencies has been disclosed in the books of accounts.

20. Capital Management

The Company aims to manage its capital efficiently to safeguard its ability to continue as a going concern and optimize returns to its shareholders.

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

b) Manage financial market risks arising from foreign exchange, interest rates, and commodity prices, and minimize the impact of market volatility on earnings.

c) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance Sheet. This framework is adjusted based on underlying macroeconomic factors affecting the business environment, financial market conditions and interest rates environment.

The Net gearing ratio at the end of the reporting year was as follows: (Figures in '000')

Particulars	**2024-25**	**2023-24**
Gross Debt	3100.00	-
Cash and Marketable Securities**	499.09	2,161.06
Net Debt (A)	2600.91	-2,161.06

SURI OVERSEAS PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

Total Equity (As per Balance Sheet) (B)	988.17	1,168.84
Net Gearing (A/B)	2.632	-1.848

**Cash and Marketable Securities include Cash and Cash Equivalents and fixed deport receipts having maturity in less than 3 months as on the year end;

21. Financial Instrument

Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) The fair value of an investment in quoted and unquoted Government Securities, Mutual Funds, and Bonds is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

c) Commodity derivative contracts are valued using readily available information in markets and quotations from exchanges & brokers.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

(Figures In '000')

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		L-1	L-2	L-3		L-1	L-2	L-3
Financial Assets								
At Amortized Cost								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	617.48	-	-	-
Cash in hand	275.89	-	-	-	275.89	-	-	-
Bank Balances	223.20	-	-	-	1,885.17	-	-	-
Loans	-	-	-	-	-	-	-	-
Other Financial Assets	10.00	-	-	-	-	-	-	-
At FVTPL								
Investments	-	-	-	-	-	-	-	-
Financial Liabilities								
At Amortized Cost								
Borrowings	3,100.00	-	-	-	-	-	-	-
Trade Payables	24.94	-	-	-	16.09	-	-	-
Lease Liabilities	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs);

The sensitivity of level 3 investments is not expected to be material

22. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values, or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk-sensitive financial instruments, including investments and deposits, foreign currency receivables, payables, and loans and borrowings.

The Company manages market risk through careful evaluation of the factor and exercises independent control over the entire market risk management process.

Market Risk - Interest Rate Risk

There are no exposure of the company towards the borrowings having a floating interest rate and, therefore any interest rate changes at the end of the reporting period.

Market Risk - Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of exposure will fluctuate because of changes in foreign currency rates.

The company has no foreign currency exposures on financial instruments at the end of the reporting period.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due, causing financial loss to the Company. Credit risk arises from Company activities in investments, dealing in derivatives and receivables from customers. The Company ensures that sales of goods are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance functions, with a framework in place to quickly identify and respond to cases of credit deterioration.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk across the Company is actively managed through Letters of Credit, Bank Guarantees, advance payments, and factoring & forfeiting without recourse to the Company. The Company restricts its fixed-income investments to liquid securities carrying high credit ratings.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

SURI OVERSEAS PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

Ageing of Account receivables

(Figures In '000')

Particulars	2024-25	2023-24
Less than 6 months	-	-
6 months- 1 year	-	-
1-2 years	-	617.48
2-3 years	-	-
More than 3 years	-	-
Total	-	617.48

Financial Assets are considered to be of good quality, and there is no significant increase in credit risk.

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities, and committed credit facilities. The Company accesses global and local financial markets to meet its liquidity requirements. It uses a range of products to ensure efficient funding from across well-diversified markets. Treasury monitors rolling forecasts of Compamy's cash flow position and ensures that Company is able to meet its financial obligation at all times, including contingencies.

The Company's liquidity is managed centrally, with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses and arranges to either fund the net deficit or invest the net surplus in a range of short-dated, secure, and liquid instruments, including short-term bank deposits and similar instruments. These investments' portfolios are diversified to avoid concentration risk in any instrument or counterparty.

(i) Maturity patterns of borrowings

(Figures In '000')

As at 31 March, 2025	0-1 years	1-5 years	beyond 5 years	Total
Long-term borrowings (Including current maturity of long term debt	-	-	-	-
Short term borrowings	3,100.00	-	-	-
Total	-	-	-	-

As at 31 March, 2024	0-1 years	1-5 years	beyond 5 years	Total
Long-term borrowings (Including current maturity of long term debt	-	-	-	-
Short term borrowings	-	-	-	-
Total	-	-	-	-

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

(ii) Maturity patterns of other Financial Liabilities

(Figures In '000')

As at 31 March, 2025	0-1 years	1-5 years	beyond 5 years	Total
Trade Payable	8.85	16.09	-	**24.94**
Other Financial Liability	-	-	-	
Total	**8.85**	**16.09**	-	**24.94**

As at 31 March, 2024	0-1 years	1-5 years	beyond 5 years	Total
Trade Payable	-	16.09	-	16.09
Other Financial Liability	-	-	-	
Total	-	**16.09**	-	**16.90**

23. Related party Transaction

(i) Name of Related Parties and Key Management personnel

Significant Influence	Nature of Relation
PDS Limited	Ultimate Holding Company
DBS Lifestyle India Private Limited	Holding Company

List of key management personnel	
Bhawnish Suri	Executive Director
Divya Sahni Suri	Executive Director
Rahul Ahuja	Non-Executive Director
Reenah Simon Joseph	Non-Executive Director
Sadik Ismail Sunasara	Non-Executive Director

(ii) The details of the related parties' transactions entered into by the Company for the particular financial years are as follows:

(Figures In '000')

Name of the related party and Nature of the transaction	2024-25	2023-24
DBS Lifestyle India Private Limited		
- Receipt of Short Term Loan & Advances	3,100.00	-

(iii) **The details of the related parties' year end receivable/ (payable) balance as of the financial year ended are as follows:**

(Figures In '000')

Name of the related party	2024-25	2023-24
DBS Lifestyle India Private Limited	3,100.00	-

(iv) Terms and conditions of transactions with related parties: All transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

(v) In respect of the figures disclosed above:

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

SURI OVERSEAS PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

a) the number of transactions/ balances without giving effect to the Ind AS adjustments on account of fair valuation/amortisation.

24. As per Ind-AS 108 "Operating Segments", the disclosures as defined are given below:

All the activities of the entity revolve around this main business. Accordingly, the entity has no identifiable segment reportable under Ind AS 108 - "Operating Segments".

25. No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2025.

26. The previous year's figures have been regrouped/rearranged wherever necessary to make them comparable to those of the current year

27. Ratio Analysis has been attached as Appendix A

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

For and on behalf of the Board of Directors

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta	Rahul Ahuja	Bhawnish Suri	Divya Sahni
(Partner)	Director	Director	Director
MRN: 553644	DIN 06533944	DIN 03014466	DIN 06990721

UDIN: 25553644BMNZKG5393
Place: New Delhi
Date: 12/05/2025

Company registration number 13392749 (England and Wales)

SPRING DESIGN LONDON LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SPRING DESIGN LONDON LIMITED

COMPANY INFORMATION

Directors	Mr Abhishekh Kanoi Mr Suresh Punjabi Mr Roland Seregi
Company number	13392749
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of this company is that of a holding company.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Abhishekh Kanoi
Mr Suresh Punjabi
Mr Roland Seregi

Auditor
In accordance with the company's articles, a resolution proposing that UHY Hacker Young be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Roland Seregi

Mr Roland Seregi
Director

29 April 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPRING DESIGN LONDON LIMITED

Opinion

We have audited the financial statements of Spring Design London Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPRING DESIGN LONDON LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPRING DESIGN LONDON LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPRING DESIGN LONDON LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 29 April 2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue		-	-
Administrative expenses		(18,894)	(8,929)
Operating loss	**2**	(18,894)	(8,929)
Finance costs	**4**	(46,920)	-
Other gains and losses	**5**	(986,264)	-
Loss before taxation		(1,052,078)	(8,929)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(1,052,078)	(8,929)

SPRING DESIGN LONDON LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Investments	**7**		120,975		490,897
Current assets					
Trade and other receivables	**9**	561,070		-	
Investments	**7**	100,000		-	
Cash and cash equivalents		12,265		4,015	
		673,335		4,015	
Current liabilities	**10**	(2,292,488)		(941,012)	
Net current liabilities			(1,619,153)		(936,997)
Net liabilities			(1,498,178)		(446,100)
Equity					
Called up share capital	**12**		1		1
Retained earnings			(1,498,179)		(446,101)
Total equity			(1,498,178)		(446,100)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 29 April 2025 and are signed on its behalf by:

Roland Seregi

Mr Roland Seregi
Director

Company registration number 13392749 (England and Wales)

SPRING DESIGN LONDON LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2023	1	(437,172)	(437,171)
Year ended 31 March 2024:			
Loss and total comprehensive income	-	(8,929)	(8,929)
Balance at 31 March 2024	1	(446,101)	(446,100)
Year ended 31 March 2025:			
Loss and total comprehensive income	-	(1,052,078)	(1,052,078)
Balance at 31 March 2025	1	(1,498,179)	(1,498,178)

1 Accounting policies

Company information

Spring Design London Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 14.

1.2 Going concern

At the time of approving the financial statements, the directors have carefully considered the trading outlook for the coming year and expected cashflows and have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.4 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.5 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	**£**	**£**
Exchange losses	3,739	2

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Management	3	3

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for the company in 2024.

4 Finance costs

	2025 £	2024 £
Interest on financial liabilities measured at amortised cost:		
Interest on other loans	46,920	-

5 Other gains and losses

	2025 £	2024 £
Amounts written off current loans	(616,342)	-
Other gains and losses	(369,922)	-
	(986,264)	-

6 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2025	2024
	£	£
In respect of:		
Fixed asset investments	369,922	-
Financial assets - loans and receivables	616,342	-
Recognised in:		
Other gains and losses	986,264	-

7 Investments

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Investments in associates	-	-	120,975	490,897
Loans and receivables at amortised cost	100,000	-	-	-
	100,000	-	120,975	490,897

The company had a 24.9% investment in Nodes Studio Lda which has been written down during the year.

Fair value of financial assets carried at amortised cost

The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

7 Investments (Continued)

Movements in non-current investments

	Shares in associates £
Cost or valuation	
At 1 April 2024 & 31 March 2025	490,897
Impairment	
At 1 April 2024	-
Disposals	(369,922)
At 31 March 2025	(369,922)
Carrying amount	
At 31 March 2025	120,975
At 31 March 2024	490,897

8 Associates

Details of the company's associates at 31 March 2025 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Progressive Crusade, Unipessoal LDA	Portugal	Ordinary	24.90

During the year, Nodes Studio LDA was liquidated.

9 Trade and other receivables

	2025 £	2024 £
VAT recoverable	662	-
Amounts owed by fellow group undertakings	560,108	-
Other receivables	300	-
	561,070	-

10 Liabilities

	Notes	2025 £	2024 £
Trade and other payables	11	2,292,488	941,012

11 Trade and other payables

	2025 £	2024 £
Amounts owed to fellow group undertakings	2,279,642	936,262
Accruals and deferred income	5,250	4,750
Other payables	7,596	-
	2,292,488	941,012

12 Share capital

Ordinary share capital	2025 Number	2024 Number	2025 £	2024 £
Issued and fully paid				
Ordinary shares of £1 each	1	1	1	1

14 Controlling party

The controlling party of the company is PDS Sourcing Limited by virtue of its 100% ownership of the ordinary share capital and overall board control.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited, is listed on the BSE and National Stock Exchange in India.

SPRING DESIGN LONDON LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

SPRING DESIGN LONDON LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2025	2024	2024
	£	£	£	£
Revenue		-		-
Administrative expenses		(18,894)		(8,929)
Operating loss		(18,894)		(8,929)
Finance costs				
Other interest payable		(46,920)		-
Other gains and losses				
Amounts written off loans current assets	(616,342)		-	
Amounts written off fixed asset investments	(369,922)		-	
		(986,264)		-
Loss before taxation		(1,052,078)		(8,929)

SPRING DESIGN LONDON LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Legal and professional fees	8,871	3,595
Audit fees	5,250	4,750
Bank charges	1,034	582
Profit or loss on foreign exchange	3,739	2
	18,894	8,929

Independent Auditor's Report

TO THE MEMBERS OF SUNNY UP US LIMITED

Report on the Audit of the Special purpose financial statement

Opinion

We have audited the accompanying special purpose financial statement of Sunny UP US Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statement, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "financial statement"). The special purpose financial statement have been prepared by the management of Company, solely for the purpose of preparation of the consolidated special purpose financial statement of its ultimate holding company, PDS Limited.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statement give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose financial statement in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Financial Statement' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

Management's Responsibility for the Special purpose financial statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these special purpose financial statement that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statement that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Special purpose financial statement

Our objectives are to obtain reasonable assurance about whether the special purpose financial statement 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 SAs will always detect a material misstatement when it exists. Misstatement 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 statement.

528 Ijmima Complex, Mindspace, Malad (W), Mumbai 400 064, India
+ 91 88798 11265 prashant@caprashantshah.com www.caprashantshah.com

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

- Identify and assess the risks of material misstatement of the financial statement, 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 our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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 special purpose financial statement 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 statement, including the disclosures, and whether the special purpose financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

  Materiality is the magnitude of misstatement in the special purpose financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statement.

  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.

528 Ijmima Complex, Mindspace, Malad (W), Mumbai 400 064, India
+ 91 88798 11265 prashant@caprashantshah.com www.caprashantshah.com

Other Reporting Requirements

We further report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statement.

b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity, and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statement.

Restriction on Distribution and Use

These Special Purpose Financial Statement has been prepared for the limited purpose of preparation of the consolidated Special Purpose Financial Statement of PDS Limited. As a result, the Special purpose financial statement may not be suitable for another purpose. Our report is intended solely for the use of the Company and should not be distributed to or used by other parties.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration No. 146854W

PRASHANT SHAH
Proprietor
Membership No. 303286
Place: Mumbai
Date: 13 May 2025
UDIN: 25303286BMIJSB2967

Sunny UP US Limited
Balance Sheet as at March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Particulars	Note No.	As at March 31, 2025
ASSETS		
Non-current assets		
(a) Property, plant and equipment	4	-
Total Non-current assets		-
Current assets		
(a) Financial assets		
(i) Inventories	5	29,475
(ii) Trade Receivables	6	3,60,856
(iii) Cash and cash equivalents	7	6,597
Total Current assets		**3,96,928**
Total Assets		**3,96,928**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	8	100
(b) Other equity	9	27,974
Total Equity		**28,074**
Liabilities		
Current liabilities		
(a) Financial Liabilities		
(ii) Trade payables	11	
- Due to others		2,32,888
(b) Provisions	10	10,880
(c) Other current liabilities	12	1,25,087
Total Current liabilities		**3,68,854**
Total Equity and Liabilities		**3,96,928**

See accompanying notes forming part of the financial 1-25

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of
Sunny UP US Limited

Elliot Matthews
Director

Place: Watford-UK
Date: May 13, 2025

Sunny UP US Limited

Statement of Profit and Loss for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Particulars	Note No.	Year ended March 31, 2025
I Revenue from operations	13	10,73,859
II Total income		**10,73,859**
III Expenses		
(a) Cost of Goods Sold	14	4,81,269
(b) Employee benefit expense	15	89,304
(e) Other expenses	16	4,64,432
		10,35,005
IV Profit before tax (II - III)		**38,854**
V Tax expense	18	
(a) Current tax		10,880
(b) Deferred tax charge / (credit)		-
VI Profit for the year (IV - V)		**27,974**
VII Other comprehensive income		
Items that will not be reclassified to profit or loss		
(a) Net gain on instruments measured at fair value through other comprehensive income		-
(b) Income tax relating to items that will not be reclassified to profit or loss		-
VIII Total comprehensive income (VI + VII)		**27,974**
IX Earnings per equity share		
(1) Basic (in USD)	17	279.74
(2) Diluted (in USD)	17	364.66

See accompanying notes forming part of the financial statements 1-25

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of
Sunny UP US Limited

Elliot Matthews
Director

Place: Watford-UK
Date: May 13, 2025

Sunny UP US Limited

Statement of Profit and Loss for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Particulars	Year ended March 31, 2025
A. Cash flows from operating activities	
Net Profit/ (Loss) for the period before taxation	38,854
Adjustments to non-cash and non-operating items:	
Depreciation and amortisation	-
Other comprehensive income	-
Operating profit before working capital changes:	**38,854**
Add: Increase in current liabilities/ Decrease in current assets	
Increase in trade payables	2,32,888
Increase in other current liabilities	1,25,087
Decrease in inventories	(29,475)
Less: Decrease in current liabilities/ Increase in current assets	
Increase in trade receivables	(3,60,856)
Cash generated from operations	**6,497**
Direct tax (paid)/ refund received	-
Net cash inflow from operating activities (A)	**6,497**
B. Cash flows from investing activities	
Purchase of investment	-
Proceed from investment	-
Net cash inflow from investing activities (B)	**-**
C. Cash flows from financing activities	
Proceed from issue of share capital	100
Net cash outflow from financing activities (C)	**100**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**6,597**
Cash and cash equivalents at the beginning of the year (refer note 12)	-
Cash and cash equivalent at the end of the year (refer note 12)	**6,597**
Components of cash and cash equivalents	
Cash on hand	-
With banks - on current account and deposits with banks	6,597
Cash and cash equivalent at the end of the year (refer note 12)	**6,597**

See accompanying notes forming part of the financial statements 1-25

As per our report of even date attached

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of
Sunny UP US Limited

Elliot Matthews
Director

Place: Watford-UK
Date: May 13, 2025

Sunny UP US Limited

Statement of Changes in equity for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

A. Equity share capital

Particulars	Number of shares	Amount
Balance as at June 06, 2024	**-**	**-**
Changes in equity share capital during the year	100	100
Balance as at March 31, 2025	**100**	**100**

B. Other equity

Particulars	Retained Earnings	Total
Balance as at June 06, 2024	**-**	**-**
Profit/(loss) for the year	27,974	27,974
Balance as at March 31, 2025	**27,974**	**27,974**

See accompanying notes forming part of the financial

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of
Sunny UP US Limited

Elliot Matthews
Director

Place: Watford-UK
Date: May 13, 2025

Sunny UP US Limited

Notes to standalone financial statements for the year ended 31 March, 2025

Note 1: Corporate information

Sunny Up, US Ltd. ("the Company), is incorporated in the state of Delware, United States of America. The Company was incorporated on June 06, 2024.The Company has its registered office in the State of Delaware is 1512 Concord Pike Suite 201 in the City of Wilmington, in the Country of New Castle, 19803.

These annual financial statements have been prepared in accordance with Indian Accounting Standard (IND AS) and in accordance with the the relevant provisions of the Delaware General Corporation Law (DGCL). The company has made use of the size-dependent for the preparation of the notes to the financial statements in accordance with Indian Accounting Standard (IND AS).

Note 2: Statement of compliance

The Standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as amended and other relevant provisions. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. The financial statements are presented in USD.

Going concern

The Board of Directors have considered the financial position of the Company at March 31, 2025 and the projected cash flows and financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

Note 3: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimates and Assumptions:

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 described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

i) Income taxes

The Company is subject to income tax laws as applicable in United States of America. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Company assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognised in the Statement of Profit and Loss.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle.

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) 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.

Liabilities:

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Property, plant and equipment (PPE) and Investment property

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income or expense (as applicable).

Subsequent Costs: The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Decommissioning Costs: The present value of expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation: Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the useful lives of assets. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortised over the lease term or the remaining useful life of the assets whichever is lower.

d) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation: Intangible assets, with infinite lives, are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Company for their use. In case of the trade mark capitalised, the Company is amortizing it over period of 5 years from the date of capitalisation. Specialized software's are amortized over a period of 5 years or license period whichever is earlier.

e) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

f) Foreign currency transaction

Functional and presentation currency

The Company's standalone financial statements are presented in USD which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in USD except where otherwise stated.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost are not retranslated.

g) Revenue recognition

Income from corporate and sourcing support services rendered to group companies are recognized as the services are rendered based on a cost plus mark-up in accordance with the terms of respective arrangements.

'Unbilled revenue' included in other financial assets represent revenue in excess of billings as of the Balance Sheet date. 'Unearned revenues' included in financial liabilities represent billing in excess of revenue recognized.

Revenue from sale of goods is recognised when a customer obtains control of the goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. Further, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity.

Other income

i) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

ii) Any Other Income is recognized on an accrual basis.

h) Provisions, Contingent liabilities and Contingent assets

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of;

i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;

ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

i) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

j) Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity

k) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

l) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Sunny UP US Limited

Notes forming part of the financial statements for the year ended 31 March, 2025

(All monetary numbers in USD unless otherwise specified)

Note 4: Property, plant and equipment

Particulars	As at March 31, 2025
Carrying amounts of:	
Furniture and fixtures	-
Office equipments	-
Computer Hardware	-
Leasehold improvements	-
Right of Use assets	-
Total	-

Particulars	Furniture and fixtures	Office Equipments	Computer Hardware	Leasehold premises	Right of Use Assets	Total
At cost						
Balance as at June 06, 2024	-	-	-	-	-	-
Adjustments	-			-		-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as at March 31, 2025	-	-	-	-	-	-
Accumulated Depreciation						
Balance as at June 06, 2024	-	-	-	-	-	-
Adjustments				-		-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as at March 31, 2025	-	-	-	-	-	-
			-			
Carrying Amount as at March 31, 2025	-	-	-	-	-	-

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 5: Inventories

Particulars	As at March 31, 2025
Finished Goods	29,475
Total	**29,475**

Note 6: Trade Receivables

Particulars	Non-current As at March 31, 2025	Current As at March 31, 2025
Trade receivable considered good - unsecured	-	3,60,856
Total	**-**	**3,60,856**

Note : Trade Receivable are shown after netting of the amount written off during the year.

Trade Receivable ageing as on 31 March 2025:

	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1- 2 years	2 - 3 years	Total
Undisputed Trade receivables – considered good	3,60,856	-	-	-	3,60,856
Total	**3,60,856**	**-**	**-**	**-**	**3,60,856**

Note 7: Cash and cash equivalents

Particulars	As at March 31, 2025
Balances with banks	
Current accounts	6,597
Total	**6,597**

Note 8: Equity share capital

Particulars	As at March 31, 2025
Authorized capital	
200 equity shares of USD 1 each	200
Issued, Subscribed and paid up	
100 equity shares of USD 1 each	100
Total	**100**

Note 9: Other equity

Particulars	As at March 31, 2025
Retained earnings [Refer Note (i) below]	27,974
Total	**27,974**

Notes:

(i) Movement in retained earnings is as follows:

Particulars	As at March 31, 2025
Balance at the beginning of the year	-
Profit/(loss) for the year	27,974
Balance at the end of the year	**27,974**

Note: For details, refer " the statement of change in equity "

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 10: Provisions

Particulars	As at March 31, 2025
(a) Other provisions	
Provisions for corporate income tax	10,880
Total	**10,880**

Note 11: Trade payables

Particulars	As at March 31, 2025
Payables to Related Party	2,32,888
Total	**2,32,888**

Trade Payable ageing as on 31 March 2025:

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Payables to Related Party	2,32,888	-	-	-	2,32,888
Total	**2,32,888**	-	-	-	**2,32,888**

Note 12: Other liabilities

Particulars	As at March 31, 2025
Other payable	1,20,733
Statutory remittances	4,354
Total	**1,25,087**

Note 13: Revenue from Operations

Particulars	Year ended March 31, 2025
Revenue on Sale of Products	
Traded goods	10,73,859
Total	**10,73,859**

(i) Revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

Particulars	Timing of revenue recognition	Year ended March 31, 2025
Traded goods	At point in time	10,73,859
Total		**10,73,859**

Note 14: Cost of Goods Sold

Particulars	Year ended March 31, 2025
Cost of Goods Sold	4,81,269
Total	**4,81,269**

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 15: Employee benefit expense

Particulars	Year ended March 31, 2025
Salaries, allowances and other benefits	89,304
Total	**89,304**

Note 16: Other expenses

Particulars	Year ended March 31, 2025
Bank Charges	199
Brokerage and commission	68,826
Legal and professional fees	24,138
Handling/Transport	54,647
Repairs and maintenance	38,182
License Fees	38,320
Storage Charges	96,860
Sales & Marketing Expenses	1,34,889
Software Charges	8,371
Total	**4,64,432**

Note 17: Earnings per share

Basic EPS amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except where the result would be anti-dilutive.

Particulars	Year ended March 31, 2025
Profit/(Loss) attributable to equity holders	27,974
Weighted average number of equity shares outstanding during the year	77
Basic earnings per share (USD)	280
Diluted earnings per share (USD)	364.66
Face value per share (USD)	1

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 18: Income Tax

The major components of income tax expense for the year ended March 31, 2025 is:

Particulars	Year ended March 31, 2025
Current Tax	10,880
Deferred tax charge/ (credit)	-
Total	**10,880**

Note 19: Capital management

The Company's objective for managing capital is to ensure:

- ability to continue as a going concern, so that the Company can continue to provide returns to shareholders and benefits for other stakeholders, and
- maintain optimal capital structure to reduce the cost of capital.

The Company monitors capital structure using gearing ratio, which is calculated as under:

Particular	Year ended March 31, 2025
Borrowings	-
Less: Cash and Cash Equivalents	(6,597)
Less: Bank balances other than cash and cash equivalents	-
Adjusted net debt (A)	**(6,597)**
Equity share capital (refer note 14)	100
Other equity (refer note 15)	-
Total capital (B)	**100**
Capital and net debt (A+B)=(C)	**(6,497)**
Gearing ratio (D = C/A)	**98.48%**

a) No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

b) For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 20: Related Party Disclosures

Disclosures in accordance with the requirements of Ind AS 24 on Related Party Disclosures, as identified and certified by the management, are set out as below:

(a) Details of related parties:

Description of relationship	Names of related parties
Holding Company	Sunny Up Limited
Key Management Personnel	Elliot Matthews

(b) Details of related party

Particulars	Relationship	Year ended March 31, 2025
Recovery of expenses		
Sunny Up Ltd	Holding Company	2,99,393

(c) Balance outstanding at the end of the year

Particulars	Relationship	As at March 31, 2025
Trade payables		
Sunny Up Ltd	Holding Company	2,32,988

Note 21: Fair value disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value.

The management assessed that fair value of these financial assets and liabilities significantly approximate their carrying amount.

a) Fair value of financial assets:

Particular	Carrying values	Fair values
	As at March 31, 2025	As at March 31, 2025
Financial assets measured at amortised cost		
Trade receivables	3,60,856	3,60,856
Cash and cash equivalents	6,597	6,597
Total (A)	**3,67,453**	**3,67,453**
Financial assets measured at FVOCI		
Investments	-	-
Total (B)	-	-
Total (A+B)	**3,67,453**	**3,67,453**

b) Fair value of financial liabilities:

Financial liabilities measured at amortised cost		
Trade payables	2,32,888	2,32,888
Dues to related party	-	-
Total	**2,32,888**	**2,32,888**

Sunny UP US Limited

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in USD unless otherwise specified)

Note 22: Commitments and Contingencies

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable.

Note 23:

No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2025.

Note 24: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 13, 2025.

Note 25: Comparative figures

As the Company was incorporated in June 06, 2024, this is the first accounting period for the Company and hence corresponding figures for previous years/ period is not available.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **PRASHANT SHAH & CO**	**For and on behalf of the Board of Directors of**
Chartered Accountants	**Sunny UP US Limited**
Firm Registration Number : 146854W	
PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS	
Prashant Shah	**Elliot Matthews**
Proprietor	Director
Membership Number : 303286	
Mumbai	Place: Watford-UK
Date: May 13, 2025	Date: May 13, 2025

Independent Auditor's Report

TO THE MEMBERS OF TECHNO DESIGN GMBH

Report on the Audit of the Special purpose financial statement

Opinion

We have audited the accompanying special purpose financial statement of Techno Design GmbH ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statement, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "financial statement"). The special purpose financial statement have been prepared by the management of Company, solely for the purpose of preparation of the consolidated special purpose financial statement of its ultimate holding company, PDS Limited.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statement give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose financial statement in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Financial Statement' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

528 Ijmima Complex, Mindspace, Malad (W), Mumbai 400 064, India
+ 91 88798 11265 prashant@caprashantshah.com www.caprashantshah.com

Management's Responsibility for the Special purpose financial statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these special purpose financial statement that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statement that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Special purpose financial statement

Our objectives are to obtain reasonable assurance about whether the special purpose financial statement 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 SAs will always detect a material misstatement when it exists. Misstatement 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 statement.

528 Ijmima Complex, Mindspace, Malad (W), Mumbai 400 064, India
+ 91 88798 11265 prashant@caprashantshah.com www.caprashantshah.com

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

- Identify and assess the risks of material misstatement of the financial statement, 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 our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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 special purpose financial statement 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 statement, including the disclosures, and whether the special purpose financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

  Materiality is the magnitude of misstatement in the special purpose financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statement.

  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.

Other Reporting Requirements

We further report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statement.

b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity, and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statement.

Restriction on Distribution and Use

These Special Purpose Financial Statement has been prepared for the limited purpose of preparation of the consolidated Special Purpose Financial Statement of PDS Limited. As a result, the Special purpose financial statement may not be suitable for another purpose. Our report is intended solely for the use of the Company and should not be distributed to or used by other parties.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration No. 146854W

PRASHANT SHAH
Proprietor
Membership No. 303286
Place: Mumbai
Date: 08 May 2025
UDIN: 25303286BMIJRJ6597

528 Ijmima Complex, Mindspace, Malad (W), Mumbai 400 064, India
+ 91 88798 11265 prashant@caprashantshah.com www.caprashantshah.com

Techno Design GmbH

Balance Sheet as at March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,48,289	4,10,089
(b) Intangible assets	5	99,424	-
(c) Financial assets			
(i) Investments	8	3,59,498	3,01,108
(d) Deferred tax assets	6	23,793	9,176
Total Non-current assets		**7,31,004**	**7,20,373**
Current assets			
(a) Financial assets			
(i) Inventories	9	2,66,543	17,36,671
(ii) Trade Receivables	10	1,97,25,462	1,34,73,496
(iii) Cash and cash equivalents	12	36,71,561	28,33,271
(iv) Other financial assets	7	1,17,087	1,81,002
(b) Other current tax assets	11	4,10,650	3,36,364
(c) Other assets	13	3,71,598	6,38,453
Total Current assets		**2,45,62,901**	**1,91,99,257**
Total Assets		**2,52,93,905**	**1,99,19,630**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,00,000	1,00,000
(b) Other equity	15	14,23,557	4,05,769
Total Equity		**15,23,557**	**5,05,769**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	17	39,670	1,96,384
Total Non-current liabilities		**39,670**	**1,96,384**
Current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	17	1,56,714	1,61,593
(ii) Trade payables	19		
- Due to micro and small enterprises		-	-
- Due to others		2,18,24,698	1,80,77,591
(iii) Other financial liabilities	18	843	-
(b) Provisions	16	8,96,696	4,16,208
(c) Other current liabilities	20	8,51,727	5,62,085
Total Current liabilities		**2,37,30,678**	**1,92,17,477**
Total Equity and Liabilities		**2,52,93,905**	**1,99,19,630**

See accompanying notes forming part of the financial statements 1-38

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

PRASHANT SHAH & CO MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 08, 2024

For and on behalf of the Board of Directors of
Techno Design GmbH

Rajive Ranjan	**Pallak Seth**
Director	Director
Place: Germany	Place: Dubai
Date: May 08, 2024	Date: May 08, 2024

Techno Design GmbH

Statement of Profit and Loss for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue from operations	21	9,99,93,150	8,68,52,869
II Other income	22	26,81,018	16,06,356
III Total income (I + II)		**10,26,74,168**	**8,84,59,225**
IV Expenses			
(a) Cost of Goods Sold	23	8,43,69,402	7,12,80,593
(b) Employee benefit expense	24	29,64,896	35,99,984
(c) Depreciation and amortisation expense	25	1,98,199	2,26,194
(d) Finance Cost	26	71,357	85,966
(e) Other expenses	27	1,36,12,256	1,25,36,455
		10,12,16,110	**8,77,29,192**
V Profit before tax (III - IV)		**14,58,058**	**7,30,033**
VI Tax expense	29		
(a) Current tax		4,80,488	3,12,982
(b) Deferred tax charge / (credit)		-14,617	63,552
VII Profit for the year (V - VI)		**9,92,187**	**3,53,499**
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Net gain on instruments measured at fair value through other comprehensive income		-	-
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
		-	-
IX Total comprehensive income (VII + VIII)		**9,92,187**	**3,53,499**
X Earnings per equity share			
(1) Basic (in Euro)	28	9.92	3.53
(2) Diluted (in Euro)	28	9.92	3.53

See accompanying notes forming part of the financial statements 1-38

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 08, 2024

For and on behalf of the Board of Directors of
Techno Design GmbH

Rajive Ranjan
Director

Place: Germany
Date: May 08, 2024

Pallak Seth
Director

Place: Dubai
Date: May 08, 2024

Techno Design GmbH

Statement of Cash Flow for the period ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flows from operating activities		
Net Profit/ (Loss) for the period before taxation	14,58,058	7,30,032
Adjustments to non-cash and non-operating items:		
Depreciation and amortisation	1,98,199	2,26,194
Stock option outstanding	25,601	48,182
Provision for doubtful debts	43,235	-
Interest on lease liabilities	5,647	9,186
Payment of other finance cost	65,710	76,780
Loss on sale of assets	459	-
Unrealised foreign exchange loss	-	-
Operating profit before working capital changes:	**17,96,908**	**10,90,374**
Add: Increase in current liabilities/ Decrease in current assets		
Increase in trade payables	37,47,107	70,22,302
Increase in provisions	-	-
Increase in other financial liabilities	843	-
Increase in other current liabilities	2,89,643	50,950
Decrease in inventories	14,70,129	-
Decrease in other financial assets	20,680	2,16,442
Decrease in other current assets	-	64,015
Decrease in other assets	2,66,855	-
Less: Decrease in current liabilities/ Increase in current assets		
Decrease in current financial liabilities	-	(491)
Increase in trade receivables	(62,51,965)	(66,22,249)
Increase in inventories	-	(4,01,360)
Increase in other current tax assets	-	(72,459)
Cash generated from operations	**13,40,200**	**13,47,524**
Direct tax (paid)/ refund received	(74,286)	(1,03,351)
Net cash inflow from operating activities (A)	**12,65,914**	**12,44,173**
B. Cash flows from investing activities		
Purchase of property, plant and equipment, investment property and other intangible assets	(1,36,284)	(7,814)
Purchase of investment	(58,389)	(2,37,713)
Proceed from investment	-	-
Net cash inflow from investing activities (B)	**(1,94,674)**	**(2,45,527)**
C. Cash flows from financing activities		
Payment of lease liabilities	(1,61,593)	(1,86,819)
Payment of other finance cost	(65,710)	(76,780)
Interest paid on lease liabilities	(5,647)	(9,186)
Net cash outflow from financing activities (C)	**(2,32,950)**	**(2,72,785)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**8,38,290**	**7,25,862**
Cash and cash equivalents at the beginning of the year (refer note 12)	28,33,271	21,07,409
Cash and cash equivalent at the end of the year (refer note 12)	**36,71,561**	**28,33,271**
Components of cash and cash equivalents		
Cash on hand	1,619	548
With banks - on current account and deposits with banks	36,69,942	28,32,723
Cash and cash equivalent at the end of the year (refer note 12)	**36,71,561**	**28,33,271**

See accompanying notes forming part of the financial statements 1-38

As per our report of even date attached

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 08, 2024

For and on behalf of the Board of Directors of
Techno Design GmbH

Rajive Ranjan
Director

Place: Germany
Date: May 08, 2024

Pallak Seth
Director

Place: Dubai
Date: May 08, 2024

Techno Design GmbH

Statement of Changes in equity for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

A. Equity share capital

Particulars	Number of shares	Amount
Balance at March 31, 2023	1,00,000	1,00,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2024	1,00,000	1,00,000
Changes in equity share capital during the year	-	-
Balance at March 31, 2025	1,00,000	1,00,000

B. Other equity

Particulars	Retained Earnings	Other Comprehensive Income	Stock Options Outstanding	Total
Balance at March 31, 2023	**(1,49,178)**	**11,243**	1,42,023	**4,088**
Profit/(loss) for the year	3,53,499	-	-	3,53,499
Other Comprehensive Income/(loss)	-	-	-	-
Total Comprehensive Income	**3,53,499**	-	-	**3,53,499**
Stock Option Outstanding	-	-	48,182	48,182
Balance as at March 31, 2024	2,04,321	11,243	1,90,205	4,05,769
Profit/(loss) for the year	9,92,187	-	-	9,92,187
Other Comprehensive Income/(loss)	-	-	-	-
Total Comprehensive Income	**9,92,187**	-	-	**9,92,187**
Stock Option Outstanding	-	-	25,601	25,601
Other comprehensive income/(loss) for the year				-
Balance at March 31, 2025	11,96,508	11,243	2,15,806	14,23,557

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

PRASHANT SHAH & CO MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Place: Mumbai
Date: May 08, 2024

For and on behalf of the Board of Directors of
Techno Design GmbH

Rajive Ranjan
Director

Place: Germany
Date: May 08, 2024

Pallak Seth
Director

Place: Dubai
Date: May 08, 2024

Note 1: Corporate information

Techno Design GmbH has its registered office in Willich and is registered with the Krefeld Local Court under the registration number HRB 14782.

These annual financial statements have been prepared in accordance with Indian Accounting Standard (IND AS) and in accordance with the the relevant provisions of the German Limited Liability Companies Act (GmbH). The company has made use of the size-dependent for the preparation of the notes to the financial statements in accordance with Indian Accounting Standard (IND AS).

Note 2: Statement of compliance

The Standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as amended and other relevant provisions. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. The financial statements are presented in Euro.

Going concern

The Board of Directors have considered the financial position of the Company at March 31, 2025 and the projected cash flows and financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

Note 3: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimates and Assumptions:

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 described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

i) Income taxes

The Company is subject to income tax laws as applicable in Germany. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Company assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognised in the Statement of Profit and Loss.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle.

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) 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.

Liabilities:

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Property, plant and equipment (PPE) and Investment property

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income or expense (as applicable).

Subsequent Costs: The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Decommissioning Costs: The present value of expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation: Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the useful lives of assets. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortised over the lease term or the remaining useful life of the assets whichever is lower.

d) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation: Intangible assets, with infinite lives, are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Company for their use. In case of the trade mark capitalised, the Company is amortizing it over period of 5 years from the date of capitalisation. Specialized software's are amortized over a period of 5 years or license period whichever is earlier.

e) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

f) Foreign currency transaction

Functional and presentation currency

The Company's standalone financial statements are presented in Euro which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in Euro except where otherwise stated.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost are not retranslated.

g) Revenue recognition

Income from corporate and sourcing support services rendered to group companies are recognized as the services are rendered based on a cost plus mark-up in accordance with the terms of respective arrangements.

'Unbilled revenue' included in other financial assets represent revenue in excess of billings as of the Balance Sheet date. 'Unearned revenues' included in financial liabilities represent billing in excess of revenue recognized.

Revenue from sale of goods is recognised when a customer obtains control of the goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. Further, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity.

Other income

i) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

ii) Any other income is recognized on an accrual basis.

h) Leases

The Company assesses at contract inception whether a 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.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for termination of a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short term leases

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

i) Provisions, Contingent liabilities and Contingent assets

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of;

i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;

ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

j) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

k) Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

ii) For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

Techno Design GmbH

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Note 4: Property, plant and equipment

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Furniture and fixtures	5,313	14,968
Office equipments	16,843	10,160
Computer Hardware	14,732	13,190
Leasehold improvements	17,401	19,059
Right of Use assets	1,93,999	3,52,712
Total	**2,48,289**	**4,10,089**

Particulars	Furniture and fixtures	Office Equipments	Computer Hardware	Leasehold premises	Right of Use Assets	Total
At cost						
Balance as at March 31, 2023	**67,784**	**1,14,636**	**63,681**	**48,442**	**9,64,817**	**12,59,360**
Additions	5,678	2,136	-		-	7,814
Disposals	-	-	-	-	-	-
Balance as at March 31, 2024	**73,462**	**1,16,772**	**63,681**	**48,442**	**9,64,817**	**12,67,173**
Additions	-	13,400	5,709	5,400	-	24,509
Adjustments/ Disposals	8,602	79,938	9,787	-	-	98,327
Balance as at March 31, 2025	**64,860**	**50,232**	**59,603**	**53,842**	**9,64,817**	**11,93,355**
Accumulated Depreciation						
Balance as at March 31, 2023	**44,552**	**97,003**	**43,495**	**20,189**	**4,25,653**	**6,30,892**
Additions	13,942	9,609	6,996	9,194	1,86,453	2,26,194
Adjustments/ Disposals	-	-	-	-	-	-
Balance as at March 31, 2024	**58,494**	**1,06,612**	**50,491**	**29,383**	**6,12,106**	**8,57,086**
Additions	7,464	6,716	5,899	7,058	1,58,712	1,85,849
Disposals	6,411	79,938	11,519	-	-	97,868
Balance as at March 31, 2025	**59,547**	**33,389**	**44,871**	**36,441**	**7,70,818**	**9,45,065**
			-			
Carrying Amount as at March 31, 2025	**5,313**	**16,843**	**14,732**	**17,401**	**1,93,999**	**2,48,289**
Carrying Amount as at March 31, 2024	**14,968**	**10,160**	**13,190**	**19,059**	**3,52,712**	**4,10,089**

Techno Design GmbH

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Note 5: Intangible assets

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Computer software	99,424	-
Total	**99,424**	**-**

Particulars	Computer Software	Total
Cost or deemed Cost		
Balance at 31 March 2023	**4,300**	**4,300**
Additions	-	-
Disposals	-	-
Balance at 31 March 2024	**4,300**	**4,300**
Additions	1,11,775	1,11,775
Disposals	-	-
Balance at 31 March 2025	**1,16,075**	**1,16,075**

	Computer Software	Total
Accumulated amortization and impairment		
Balance at 31 March 2023	**4,300**	**4,300**
Additions	-	-
Disposals	-	-
Balance at 31 March 2024	**4,300**	**4,300**
Additions	12,351	12,351
Disposals	-	-
Balance at 31 March 2025	**16,651**	**16,651**

Note 6: Deferred tax assets /liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Derivation:		
EWB:	-	-
Unrealized exchange rate differences	76,198	29,390
	76,198	**29,390**
Creation of deferred tax assets based on		
KSt - 15%	11,430	4,408
SolZ - 5.5%	629	242
Trade tax - 15.40%	11,734	4,526
Net deferred tax assets / (liabilities)	**23,793**	**9,176**

Note :- Deferred tax for the Financial year 2024-25 and 2023-24, it is calculated by the Tax Experts in the Germany for which they have provided their calculation and according to the available information.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(All monetary numbers in Euro unless otherwise specified)

Note 7: Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good				
Advance to Employees and Others	-	-	1,17,087	1,79,836
Other Receivables	-	-	-	1,166
Total	-	-	**1,17,087**	**1,81,002**

Note 8: Investments

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Fair Value through Other Comprehensive Income				
Investment in preferred equities	3,59,498	3,01,108	-	-
Total	**3,59,498**	**3,01,108**	-	-

Note 9: Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Finished Goods	2,66,543	17,36,671
Total	**2,66,543**	**17,36,671**

Note 10: Trade Receivables

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade receivable considered good - secured	-	-	59,87,263	1,00,81,492
Trade receivable considered good - unsecured	-	-	1,37,38,199	33,92,005
Trade receivable which have significant increase in credit risk	-	-	31,999	16,000
Trade receivable - credit impaired	-	-	-	-
Less: Expected credit loss allowance for doubtful trade receivable	-		(31,999)	(16,000)
Total	-	-	**1,97,25,462**	**1,34,73,496**

Note : Trade Receivable are shown after netting of the amount written off during the year.

Trade Receivable ageing as on 31 March 2025:

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1- 2 years	More than 2 years	Total
Undisputed Trade receivables – considered good	1,95,82,669	1,42,793	-	-	1,97,25,462
Total	**1,95,82,669**	**1,42,793**	-	-	**1,97,25,462**

Trade Receivable ageing as on 31 March 2024:

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	More than 2 years	Total
Undisputed Trade receivables – considered good	1,34,73,496	-	-	-	1,34,73,496
Total	**1,34,73,496**	-	-	-	**1,34,73,496**

Note 11: Other current tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Income tax	4,10,650	3,36,364
Total	**4,10,650**	**3,36,364**

Note 12: Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash-in-hand	1,619	548
Balances with banks		
Current accounts	36,36,204	27,98,985
Deposit accounts	33,738	33,738
Total	**36,71,561**	**28,33,271**
Of the above, the balances that meet the definition of Cash and cash equivalents as per IND AS 7 is	**36,71,561**	**28,33,271**

Note 13: Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good		
Prepaid expenses	79,188	37,551
Unbilled Revenue	-	86,018
Other Assets	7,081	4,152
Receivable from Related Parties	-	4,88,131
Balances with statutory/ government authorities	2,85,329	22,601
Total	**3,71,598**	**6,38,453**

Note 14: Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized capital		
100,000 equity shares of Euro 1 each	1,00,000	1,00,000
Issued, Subscribed and paid up		
100,000 equity shares of Euro 1 each fully paid up	1,00,000	1,00,000
Total	**1,00,000**	**1,00,000**

(i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
As at 31 March 2024			
No. of shares	1,00,000	-	1,00,000
Amount	1,00,000	-	1,00,000
As at 31 March 2025			
No. of shares	1,00,000	-	1,00,000
Amount	1,00,000	-	1,00,000

(ii) Rights, Preferences and Restrictions attached to shares:

The company has one class of equity shares having par value of Euro 1 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Equity shares held by the holding company, their subsidiaries and associates:

Name of Shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	Amount	Number of shares held	Amount
Equity shares with voting rights				
Multinational Textile Group Limited (MTGL)	55,000	55,000	55,000	55,000

(iv) Details of equity shares held by each shareholder holding more than 5% shares in the Company:

Name of Shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	%	Number of shares held	%
Equity shares with voting rights				
Multinational Textile Group Limited (MTGL)	55,000	55%	55,000	55%
Design POD Limited	45,000	45%	45,000	45%

Note 15: Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings [Refer Note (i) below]	12,07,750	2,15,563
Stock options outstanding [Refer Note (ii) below]	2,15,807	1,90,206
Total	14,23,557	4,05,769

Notes:

(i) Movement in retained earnings is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	2,15,563	(1,37,936)
Profit/(loss) for the year	9,92,187	3,53,499
Other comprehensive income/(loss) for the year	-	-
Balance at the end of the year	12,07,750	2,15,563

Note: For details, refer " the statement of change in equity "

(ii) Movement in stock options outstanding is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1,90,206	1,42,023
Stock Option Outstanding for the year	25,601	48,183
Balance at the end of the year	2,15,807	1,90,206

Note 16: Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Other provisions		
Provisions for corporate income tax	8,96,696	4,16,208
Total	8,96,696	4,16,208

Note 17: Lease liabilities

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At amortised cost				
Payables on property, plant and equipment	39,670	1,96,384	1,56,714	1,61,593
Total	39,670	1,96,384	1,56,714	1,61,593

Note 18: Other financial liabilities

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Dues to employees	-	-	843	-
Total	-	-	843	-

Techno Design GmbH

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Note 19: Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables	49,87,771	89,39,517
Payables to Related Party	1,68,36,927	91,38,074
Total	2,18,24,698	1,80,77,591

Notes:

(a) In terms of notification no. G.S.R 719(E) dated September 4, 2015 issued by the Central Government of India, the disclosure of payments due to any supplier as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance of Trade payables as at the end of the year		
- Principal amount due to Micro, Small and Medium Enterprises	-	-
- Principal amount due to Others	2,18,24,698	1,80,77,591
Total	2,18,24,698	1,80,77,591

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Trade Payable ageing as on 31 March 2025:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	2,18,24,698	-	-	-	2,18,24,698
Total	2,18,24,698	-	-	-	2,18,24,698

Trade Payable ageing as on 31 March 2024:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	1,80,77,591	-	-	-	1,80,77,591
Total	1,80,77,591	-	-	-	1,80,77,591

Note 20: Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Other payable	8,08,385	5,19,479
Statutory remittances (contributions to PF, GST and Withholding taxes)	43,343	42,606
Total	8,51,728	5,62,085

Note 21: Revenue from Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	9,92,12,297	8,21,94,968
Sale of Services	7,80,853	46,57,901
Total	9,99,93,150	8,68,52,869

(i) Revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

Particulars	Timing of revenue recognition	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	At point in time	9,92,12,297	8,21,94,968
Sale of services	At point in time	7,80,853	46,57,901
Total		9,99,93,150	8,68,52,869

(ii) Contract balances

Assets and liabilities related to contracts with customers:

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	1,97,25,462	1,34,73,496
Total	**1,97,25,462**	**1,34,73,496**

Contract assets primarily relate to the Company's right to consideration for work completed but not yet billed at reporting date for services rendered to customers. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Company's obligation to transfer goods or services to customer for which the Company has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognised as revenue as the Company performs under the contract.

Note 22: Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Miscellaneous Income including sale of scrap	16,37,995	15,15,512
Compensation fees	9,69,328	-
Gains on Foreign Currency Translation	73,695	-
Gain on Investments	-	90,844
Total	**26,81,018**	**16,06,356**

Note 23: Cost of Goods Sold

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cost of Goods Sold	8,43,69,402	7,12,80,593
Total	**8,43,69,402**	**7,12,80,593**

Note 24: Employee benefit expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, allowances and other benefits	25,34,379	32,11,355
Contribution to provident and other funds	3,96,537	3,70,308
Staff welfare expenses	33,980	18,321
Total	**29,64,896**	**35,99,984**

Note 25: Depreciation and amortisation expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	1,85,848	2,26,194
Amortisation of intangible assets	12,351	-
Total	**1,98,199**	**2,26,194**

Note 26: Finance cost

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on financial liabilities related to ROU assets	5,647	9,186
Other finance cost	65,710	76,780
Total	**71,357**	**85,966**

Note 27: Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Auditors' Remuneration [Refer Note (i) below]	53,857	42,925
Bank Charges	2,85,127	2,30,092
Communication expenses	34,944	38,478
Courier Charges	97,736	87,835
Electricity charges	6,458	8,984
Insurance	53,155	32,316
Legal and professional fees	5,18,673	2,44,593
Loss on foreign exchange transactions and translations (Net)	-	17,820
Printing and stationery	6,484	4,172
Rates and taxes	5,44,520	4,91,267
Recruitment expenses	33,699	70,848
Rent	57,209	1,05,076
Repairs and maintenance- Others	53,186	26,247
Sampling Expenses	7,352	15,757
Service Expense	1,05,58,629	99,87,021
Provision for doubtful debts	43,235	-
Loss on sale of assets	459	-
Sundry Expenses	3,71,159	5,78,679
Storage Charges	3,23,204	2,10,056
Office Expenses	1,41,569	41,433
Software Charges	1,55,865	75,180
Travelling and conveyance	2,65,734	2,27,677
Total	**1,36,12,256**	**1,25,36,455**
Notes:		
(i) Auditors' remuneration:		
For statutory audit	53,857	42,925
For tax audit	-	-
Other Tax Matters	-	-
Reimbursement of expenses	-	-
Total	**53,857**	**42,925**

Note 28: Earnings per share

Basic EPS amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except where the result would be anti-dilutive.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) attributable to equity holders	9,92,187	3,53,499
Weighted average number of equity shares outstanding during the year	1,00,000	1,00,000
Basic earnings per share (Euro)	9.92	3.53
Diluted earnings per share (Euro)	9.92	3.53
Face value per share (Euro)	1	1

Note 29: Income Tax

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax	4,80,488	3,12,982
Deferred tax charge/ (credit)	(14,617)	63,552
Total	**4,65,871**	**3,76,534**

Note 30: Capital management

The Company's objective for managing capital is to ensure:

- ability to continue as a going concern, so that the Company can continue to provide returns to shareholders and benefits for other stakeholders, and
- maintain optimal capital structure to reduce the cost of capital.

The Company monitors capital structure using gearing ratio, which is calculated as under:

Particular	Year ended March 31, 2025	Year ended March 31, 2024
Borrowings	-	-
Less: Cash and Cash Equivalents	(36,71,561)	(28,33,271)
Less: Bank balances other than cash and cash equivalents	-	-
Adjusted net debt (A)	**(36,71,561)**	**(28,33,271)**
Equity share capital (refer note 14)	1,00,000	1,00,000
Other equity (refer note 15)	4,05,769	4,05,769
Total capital (B)	**5,05,769**	**5,05,769**
Capital and net debt (A+B)=(C)	**(31,65,793)**	**(23,27,502)**
Gearing ratio (D = C/A)	**86.22%**	**82.15%**

a) No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

b) For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.

Note 31: Related Party Disclosures

Disclosures in accordance with the requirements of Ind AS 24 on Related Party Disclosures, as identified and certified by the management, are set out as below:

(a) Details of related parties:

Description of relationship	Names of related parties
Ultimate Holding Company	PDS Limited (formerly PDS Multinational Fashions Limited)
Holding Company	Multinational Textile Group Limited (MTGL)
Fellow subsidiaries	Techno Design HK Limited
	S.O.T. Garments India Private Limited
	Technocian Fashions Private Limited
	Spring Near East Manufacturing Co. Ltd.
	Spring Near East FZCO
	Progressive Crusade Unipessoal LDA
	Green Smart Shirts Limited
	Techno (Shanghai) Trading Co. Ltd.
	Techno Sourcing BD Limited
	Techno Sourcing Di Ticaret Anonim Sirketi
Key Management Personnel	Rajive Ranjan
	Pallak Seth

(All monetary numbers in Euro unless otherwise specified)

(b) Details of related party transactions during the year ended March 31, 2025 and outstanding balance as at March 31, 2025:

Particulars	Relationship	Year ended March 31, 2025	Year ended March 31, 2024
Service expense			
Lerros Moden GmbH	Fellow subsidiaries	41,789	-
Technocian Fashions Private Limited	Fellow subsidiaries	21,89,286	20,95,237
S.O.T. Garments India Private Limited	Fellow subsidiaries	-	2,75,923
Techno Design HK Limited	Fellow subsidiaries	43,24,203	45,29,808
Progressive Crusade Unipessoal LDA	Fellow subsidiaries	15,000	3,709
Spring Near East Manufacturing Co. Ltd.	Fellow subsidiaries	-	1,65,347
Techno (Shanghai) Trading Co. Ltd.	Fellow subsidiaries	18,70,020	8,21,607
Techno Sourcing BD Limited	Fellow subsidiaries	9,58,791	9,06,221
Techno Sourcing Di Ticaret Anonim Sirketi	Fellow subsidiaries	11,65,479	10,16,923
Green Smart Shirts Limited	Fellow subsidiaries	-	18,547
Cost of goods sold			
Progress Apparels (Bangladesh) Limited	Fellow subsidiaries	1,86,882	-
Other expense			
Techno Design HK Limited	Fellow subsidiaries	-	3,14,854
Multinational Textile Group Limited	Fellow subsidiaries	2,64,785	-

c. Balance outstanding at the end of the year

Particulars	Relationship	As at March 31, 2025	As at March 31, 2024
Trade payables			
Technocian Fashions Private Limited	Fellow subsidiaries	2,05,221	-
S.O.T. Garments India Private Limited	Fellow subsidiaries	-	4,69,975
Techno (Shanghai) Trading Co. Ltd.	Fellow subsidiaries	1,95,535	1,50,296
Techno Sourcing BD Limited	Fellow subsidiaries	2,60,501	2,62,815
Techno Sourcing Di Ticaret Anonim Sirketi	Fellow subsidiaries	64,347	83,750
Techno Design HK Limited	Fellow subsidiaries	1,61,11,322	81,69,737
Spring Near East Manufacturing Co. Ltd.	Fellow subsidiaries	-	-
Progressive Crusade Unipessoal LDA	Fellow subsidiaries	-	1,500
Receivable from Related Parties			
Technocian Fashions Private Limited	Fellow subsidiaries	-	4,88,131
Investment in fellow subsidiaries			
Techno Sourcing Di Ticaret Anonim Sirketi	Fellow subsidiaries	1,23,000	1,23,000

Note 32: Fair value disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value.

The management assessed that fair value of these financial assets and liabilities significantly approximate their carrying amount.

a) Fair value of financial assets:

Particular	Carrying values		Fair values	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets measured at amortised cost				
Trade receivables	1,97,25,462	1,34,73,496	1,97,25,462	1,34,73,496
Cash and cash equivalents	36,71,561	28,33,271	36,71,561	28,33,271
Total (A)	**2,33,97,023**	**1,63,06,766**	**2,33,97,023**	**1,63,06,766**
Financial assets measured at FVOCI				
Investments	3,59,498	3,01,108	3,59,498	3,01,108
Total (B)	**3,59,498**	**3,01,108**	**3,59,498**	**3,01,108**
Total (A+B)	**2,37,56,520**	**1,66,07,875**	**2,37,56,520**	**1,66,07,875**

b) Fair value of financial liabilities:

Financial liabilities measured at amortised cost				
Trade payables	2,18,24,698	1,80,77,591	2,18,24,698	1,80,77,591
Dues to related party	-	-	-	-
Total	**2,18,24,698**	**1,80,77,592**	**2,18,24,698**	**1,80,77,592**

Note 33: Leases

(i) The Company has adopted Ind AS 116 "Leases" effective April 1, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

The Company also has certain leases of office premises with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases as per Ind AS 116.

(ii) Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term leases	57,209	1,05,076
Total	**57,209**	**1,05,076**

(iii) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	3,52,711	5,39,164
Right of Use Asset recognised during the year	-	-
Amortisation expense	1,58,712	1,86,453
Closing balance	**1,93,999**	**3,52,711**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	3,57,977	5,44,796
Interest expense on lease liabilities	5,647	9,186
Payment of lease liabilities	(1,67,240)	(1,96,005)
Closing balance	**1,96,384**	**3,57,977**

Note: The right of use asset and lease liability has been created for office premises.

(iv) Maturity analysis of lease liabilities:

Particulars	Lease payments	Interest expense	Net Present Values
Not later than 1 year	1,56,714	2,496	1,54,218
Later than 1 year not later than 5 years	39,670	133	39,537
Total	**1,96,384**	**2,629**	**1,93,755**

(v) Amounts recognised in profit or loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent expense relating to short-term leases	57,209	1,05,076
Interest expense on lease liabilities	5,647	9,186
Depreciation expense of right-of-use assets	1,58,712	1,86,453
Total	**2,21,568**	**3,00,715**

Notes :

1. Accounting treatment for Leases is not done in the books according to German GAAP but it has been accounted while preparing the books as per IND AS for the purpose of Consolidation .
2. Security Deposit given for leases is recognised in the current period as per IND AS adjustment which have not been considered in as per German GAAP.

Techno Design GmbH

Notes forming part of the financial statements for the year ended March 31, 2025

(All monetary numbers in Euro unless otherwise specified)

Note 34: Commitments and Contingencies

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable.

Note 35: Additional Regulatory Information

Ratio Analysis

Ratio	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variation	Reason for Variation
Current Ratio (in times)	Current assets	Current Liabilities	1.04	1.00	4%	N/A
Gross Profit Ratio (in percentage)	Gross Profit	Revenue from operations	16%	18%	-2%	N/A
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.02	8.55	-30%	Refer note (i)
Average collection period (in days)	365	Trade Receivables turnover ratio	61	43	18	N/A
Trade Payables turnover ratio (in times)	Cost of good sold	Average trade payables	4.23	4.89	-14%	N/A
Average Payment period (in days)	365	Trade Payables turnover ratio	86	75	12	N/A
Inventory turnover ratio (in times)	Cost of good sold	Average inventory	84.23	46.41	81%	Refer note (ii)
Asset Turnover Ratio (in times)	Revenue from operations	Average Total Assets	4.42	5.37	-18%	N/A
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.99%	0.41%	142%	Refer note (iii)
Earning per share (in times)	Profit/(Loss) attributable to equity holders	Weighted average number of equity shares outstanding during the year	9.92	3.53	181%	Refer note (iv)
Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	120.15	(4,766.87)	-103%	Refer note (v)
Return on Equity Ratio (in times)	Profit for the year less Preference dividend	Average Total Equity	9.92	1.16	755%	Refer note (iv)
Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Deferred tax liabilities	1.00	1.61	-38%	Refer note (vi)

Notes:

Reason for change more than 25% in above ratio are as under:

(i) Due to increased trade receivable as on March 31, 2025 from revised payment terms for customer.

(ii) Due to reduction in Inventory as on March 31, 2025 as compared to last year.

(iii) Due to increased revenue and income for the year.

(iv) Due to increase in profits for the year.

(v) Due to increased working capital for the year.

(vi) Due to increase in capital employed for the year.

Note 36:

No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2025.

Note 37:

The previous year's figure have been regrouped/rearranged wherever necessary, to make them comparable to those of the current year.

Note 38: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 08, 2025.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration Number : 146854W

MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership Number : 303286

Mumbai
Date: May 08, 2024

For and on behalf of the Board of Directors of
Techno Design GmbH

Rajive Ranjan
Director
Place: Germany
Date: May 08, 2024

Pallak Seth
Director
Place: Dubai
Date: May 08, 2024

The Source Fashions Platform FZCO

Audited Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO Mr. Safak Kipik
License No		05815

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Business Address	:	Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	Emirates NBD
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Financial review:

The table below summarizes the results of 2023-24 and 2024-25

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**10.08.2023 to 31.03.2024**
Revenue	895,415	74,030
Net profit/(Loss) for the period	(40,954)	(13,412)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

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 Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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. These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
THE SOURCE FASHIONS PLATFORM FZCO

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
The Source Fashions Platform FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **The Source Fashions Platform FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 13th May, 2025

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 10.08.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	**(A)**	-	-
Current Assets			
Advances, deposits and other receivables	7	18,793	10,063
Cash and Cash Equivalents	8	9,174	100,521
Due from Related Parties	12	1,055,125	74,030
Total Current Assets	**(B)**	**1,083,092**	**184,614**
Total Assets	**(A+B)**	**1,083,092**	**184,614**
Equity			
Share Capital	9	100,000	100,000
Retained Earnings	10	(54,366)	(13,412)
Shareholder Current Account		-	-
Total Equity	**(C)**	**45,634**	**86,588**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Trade Payables	11	3,670	65,816
Due to Related Parties	12	1,033,788	32,210
Total Current Liabilities	**(E)**	**1,037,458**	**98,026**
Total Liabilities	**(F)=(D+E)**	**1,037,458**	**98,026**
Total Equity and Liabilities	**(C+F)**	**1,083,092**	**184,614**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Rahul Khetty

Mr. Rahul Khettry
Authorized Signatory

THE SOURCE FASHIONSPLATFORM FZCO DUBAI - U.A.E

THE SOURCE FASHIONS PLATFORM FZCO
Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 10.08.2023 to 31.03.2024
Revenue	13	895,415	74,030
Cost of revenue	14	(846,349)	(64,982)
Gross profit		**49,066**	**9,048**
General and administrative expenses	15	(88,741)	(22,147)
Finance Cost		(1,279)	(313)
Profit/ (Loss) for the period		**(40,954)**	**(13,412)**
Attributable to:			
- Shareholder of the Company		(40,954)	(13,412)
- Non-controlling interest		-	-
		(40,954)	**(13,412)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**(40,954)**	**(13,412)**
Attributable to:			
- Shareholder of the Company		(40,954)	(13,412)
- Non-controlling interest		-	-
		(40,954)	**(13,412)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
THE SOURCE FASHIONS PLATFORM FZCO

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab

Statement of changes in equity for the year ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced on August 10, 2023	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(13,412)	-	**(13,412)**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	(13,412)	-	**86,588**
Profit/(Loss) for the year	-	(40,954)	-	**(40,954)**
Net Movements during the year	-	-	-	-
Balance as at March 31, 2025	**100,000**	(54,366)	-	**45,634**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Mr. Rahul Khettry
Authorized Signatory

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab

Cash Flow Statement for the year ended March 31, 2025

		(figures in AED)
	01.04.2024 to 31.03.2025	**10.08.2023 to 31.03.2024**
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	(40,954)	(13,412)
Adjustments:		
Depreciation	-	-
Financial Charges	1,279	313
Net cash from operating activities	**(39,675)**	**(13,100)**
Changes in working capital		
(Increase)/Decrease in other current assets	(8,730)	(10,063)
Increase/(Decrease) in Other payables	(62,146)	65,816
Amount due from related party	(981,095)	(74,030)
Amount due to related party	1,001,578	32,210
Net cash used in operating activities	**(90,068)**	**834**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	(1,279)	(313)
Shareholder Current Account	-	-
Net cash generated in financing activities	**(1,279)**	**99,687**
Net increase in cash and cash equivalents	(91,347)	100,521
Cash and cash equivalents beginning of period	100,521	-
Cash and cash equivalents end of period	**9,174**	**100,521**
Represented by:		
Cash Balance	-	-
Bank Balance	9,174	100,521
	9,174	**100,521**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E THE SOURCE FASHIONS PLATFORM FZCO

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 LEGAL STATUS :

The Source Fashions Platform FZCO is incorporated on **August 10, 2023 under License No.- 05815 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2.Mr.Suresh Mahadev Punjabi

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or
has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	(figures in AED) 10.08.2023 to 31.03.2024
7 Advances, deposits and Trade receivables		
DAFZA Portal Balance	6,710	-
Prepaid Expenses	-	10,063
Other Receivables	12,083	-
	18,793	10,063
8 Cash And Cash Equivalents		
Cash balance		-
Bank balance	9,174	100,521
	9,174	100,521

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	85%	85	85,000
Mr. Safak Kipik	Republic of Turkey	15%	15	15,000
	Total	100%	100	100,000

10 Retained Earnings	01.04.2024 to 31.03.2025	10.08.2023 to 31.03.2024
Balance at the beginning of the Period	(13,412)	-
Profit/(Loss) for the Period	(40,954)	(13,412)
Balance at the end of the Period	(54,366)	(13,412)
11 Trade & Other Payables		
Trade Payable	-	-
Other Payables	3,670	65,816
	3,670	65,816

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Amount due to related parties	**31.03.2025**	**31.03.2024**
PDS Multinational FZCO	33,370	32,210
Spring Near East FZCO	1,000,418	-
	1,033,788	**32,210**

Amount due from related parties		
SNE Moda Tasarım Sanayi ve Ticaret Anonim Şirketi	1,055,125	74,030
	1,055,125	**74,030**

13 Revenue	**01.04.2024 to 31.03.2025**	**10.08.2023 to 31.03.2024**
Sales	895,415	74,030
	895,415	**74,030**

14 Cost of Revenue		
Cost of Goods Sold	846,349	64,982
	846,349	**64,982**

15 General & Administrative Expenses		
License Expenses	15,020	12,033
Rent Expenses	15,170	10,113
Legal & Professional Expenses	56,945	-
Forex Loss	1,606	-
	88,741	**22,147**

16 RISK MANAGEMENT

16.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

16.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

THE SOURCE FASHIONS PLATFORM FZCO

Premises No. 6EA G09-SD16, Ground Floor, 6 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

16.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

17 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025. The Previous fiscal period covers the period of 07 months and 21 days from August 10, 2023 to March 31, 2024. Previous year figures might be reclassified & regrouped to conform to the current year presentation.

18 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 13, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR THE SOURCE FASHIONS PLATFORM FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
THE SOURCE FASHIONS PLATFORM FZCO

Auditor's Report and Audited Financial Statements

of

Techno Sourcing BD Limited

As at and for the year ended 31 March 2025

Independent Auditor's Report
to the shareholders of
Techno Sourcing BD Limited

Opinion

We have audited the financial statements of Techno Sourcing BD Limited hereinafter referred to as "the company" which comprise the statement of financial position as at 31 March 2025, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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 year ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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 Auditors 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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and other applicable laws and regulations 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 of the Company as a whole are free from material misstatement, whether due to fraud and 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 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 a part of 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.
- 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements of the company. We are responsible for the direction, supervision and performance of the audit . We remain solely responsible for our audit opinion.

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

In accordance with Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and

c) the company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

DVC:

Dated, 8 May 2025
Dhaka

Sukanta Bhattacharjee FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

Techno Sourcing BD Limited
Statement of Financial Position
As at 31 March 2025

In Taka	Notes	31-Mar-25	31-Mar-24
Assets			
Non-current assets			
Property, plant and equipment	4.00	1,658,815	3,665,492
Right-of-use assets	5.00	14,393,548	8,970,364
Intangible assets	6.00	366,176	484,936
Deferred tax assets	7.00	3,071,480	2,743,716
Total non-current assets		**19,490,019**	**15,864,508**
Current assets			
Receivables from customer	8.00	34,239,293	31,023,374
Advances, deposits and prepayments	9.00	42,380,546	30,439,655
Cash and cash equivalents	10.00	13,705,645	18,110,751
Total current assets		**90,325,484**	**79,573,780**
Total assets		**109,815,503**	**95,438,288**
Equity			
Share capital	11.00	9,651,900	9,651,900
Share money deposit	12.00	21	21
Capital reserve	13.00	3,306,886	3,306,886
Retained earnings		29,980,934	23,348,641
Total equity		**42,939,741**	**36,307,448**
Non-current liabilities			
Liability for terminal benefit & earned leave	14.00	4,105,269	3,492,708
Lease liabilities	15.00	9,850,634	4,964,584
Total non-current liabilities		**13,955,903**	**8,457,292**
Current liabilities			
Liability for terminal benefit & earned leave	14.00	2,392,198	1,610,502
Lease liabilities	15.00	4,635,608	4,469,314
Liability for expenses	16.00	5,285,137	15,835,292
Provision for tax	17.00	40,606,916	28,758,440
Total current liabilities		**52,919,859**	**50,673,548**
Total equity and liabilities		**109,815,503**	**95,438,288**

The annexed notes from 1-25 form an integral part of these financial statement.

Managing Director

Director

As per our report of the same date.

Sukanta Bhattacharjee FCA
Enrollment No-1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

DVC:

Dated, 8 May 2025
Dhaka

Techno Sourcing BD Limited
Statement of profit or loss and other comprehensive income
As at 31 March 2025

In Taka	Notes	1 April 2024 to 31 March 2025	1 April 2023 to 31 March 2024
Revenue	18.00	118,046,296	108,671,701
General and administrative expenses	19.00	(106,340,796)	(108,265,742)
Operating income/ (loss)		**11,705,500**	**405,958**
Finance Expense	20.00	(990,591)	(881,859)
Other income/(expense)	21.00	9,048,374	6,725,820
Net profit before tax and WPPF		**19,763,283**	**6,249,920**
WPPF expense		-	(312,496)
Profit before income tax		**19,763,283**	**5,937,424**
Income tax expense			
Current year		(11,848,476)	(11,544,808)
Prior year		(39,082)	-
Deffered tax income/ (expense)	7.00	327,764	1,238,227
Net profit/(loss) after tax		**8,203,489**	**(4,369,157)**
Actuarial profit/(loss) on obligation		(1,571,196)	(1,326,681)
Total comprehensive profit/ (loss) for the year		**6,632,293**	**(5,695,838)**

The annexed notes from 1-25 form an integral part of these financial statement.

Managing Director

Director

As per our report of the same date.

DVC:

Sukanta Bhattacharjee FCA
Enrollment No-1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

Dated, 8 May 2025
Dhaka

Techno Sourcing BD Limited
Statement of changes in equity
As at 31 March 2025

In Taka	Share Capital	Share Money Deposits	Capital Reserve	Retained Earnings	Total
Balance at 1 April 2023	9,651,900	21	3,306,886	29,044,479	42,003,285
Profit/(Loss) for the year	-			(5,695,838)	(5,695,838)
Balance as at 31 March 2024	**9,651,900**	**21**	**3,306,886**	**23,348,641**	**36,307,449**
Profit/(Loss) for the year	-			6,632,293	6,632,293
Balance at 31 March 2025	**9,651,900**	**21**	**3,306,886**	**29,980,934**	**42,939,742**

Managing Director

Director

Dated, 8 May 2025
Dhaka

Techno Sourcing BD Limited
Statement of Cash Flows
For the year ended 31 March 2025

In Taka	31-Mar-25	31-Mar-24
A Cash flows from operating activities		
Profit/(Loss) before Tax	19,763,283	5,937,424
Adjustments for non cash items:		
Depreciation on property, plant and equipment	1,889,478	3,557,262
Depreciation on right-of-use assets	5,269,494	5,102,332
Amortization of Intangible asset	118,760	108,863
Imputed interest on lease liabilities	1,031,923	898,235
(Gain)/loss on lease termination	(617,343)	-
(Gain)/Loss on disposal of PPE	102,439	16,880
Interest income on security deposit	(87,047)	(68,888)
Cash flows from operating activities before working capital changes	**27,470,986**	**15,552,109**
Changes in working capital		
(Increase)/decrease in Advances, deposits and prepayments	(567,539)	(555,688)
(Increase)/decrease in Trade and other receivables	(3,215,914)	(17,325,877)
Increase/(decrease) in Trade and other payables	(10,550,155)	8,070,493
Increase/(decrease) in Defined benefit liabilities	1,394,257	1,907,126
Actuarial gain/(loss)	(1,571,196)	(1,326,681)
Income taxes paid	(11,685,056)	(11,346,541)
Net cash generated from/(used in) operating activities	**1,275,383**	**(5,025,059)**
B Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	14,762	-
Acquisition of property, plant and equipment	-	(778,904)
Addition of Intangible Asset	-	(593,799)
Net cash generated from/(used in) investing activities	**14,762**	**(1,372,703)**
C Cash flows from financing activities		
Payment of lease liabilities (principal portion)	(5,695,250)	(5,478,950)
Net cash generated from/(used in) financing activities	**(5,695,250)**	**(5,478,950)**
Net increase/(decrease) in cash and cash equivalents	(4,405,105)	(11,876,712)
Opening cash and cash equivalents	18,110,751	29,987,464
Closing cash and cash equivalents	**13,705,645**	**18,110,752**

Managing Director

Director

Dated, 8 May 2025
Dhaka

Techno Sourcing BD Limited
Notes to the Financial Statements
As at and for the year ended 31 Mar 2025

1.1 Background and legal status

Techno Sourcing BD Limited hereinafter referred to as 'the Company' was formed and incorporated with the Register of Joint Stock Companies and Firms, Bangladesh on 06 February 2019 under the Companies Act 1994 as a private limited company limited by shares vide Registration no: C-149908/2019. The address of the registered office of the company is Ta-131, Wakil Tower, 131 Gulshan Badda Link Rd, Dhaka 1212.

On 22nd October 2019, through acquisition of 51% share of KiK Service Unit Limited by Design Pod Limited with its headquarter in Hong Kong, the name of the company has been changed to Techno Sourcing BD Limited from KiK Service Unit Limited and the changed name of the company was duly registered with the Registrar of Joint Stock Companies.

1.2 Nature of business

The principal activities of the Company are to provide support services to German group companies regarding all aspects of sourcing of textiles, including but not limited to quality assurance services, compliances in supplier manufacturing units.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in following accrual basis of accounting except for statement of cash flows in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), Companies Act 1994 and other applicable laws and regulations.

2.2 Other regulatory compliance

The company is required to comply with following major laws and regulations along with Companies Act 1994:

The Income Tax Act 2023
The Value Added Tax and Supplementary Duty Act, 2012
The Value Added Tax and Supplementary Duty Rules, 2016
The Customs Act, 1969
Bangladesh Labor laws 2006 ammended upto 2023

2.3 Basis of measurement

The financial statements have been prepared on historical cost following the accrual basis on accounting.

2.4 Functional and presentational currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk/BDT), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer unless otherwise indicated.

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.6 Going concern

The commercial operation of the company has been started from the year 2019. The board of directors of the company believes that the company has adequate resources and group support to continue its operation in the foreseeable future. As a result, the financial statements of the company has been prepared on a going concern basis.

2.7 Statement of cash flows

Cash Flow Statement is prepared as per International Accounting Standard (IAS-7). Cash flow from operating activities is determined for the period under indirect method.

2.8 Reporting period

The financial statement of the company covers for the period from 01 April 2024 to 31 March 2025.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently in these financial statements.

3.01 Property, plant and equipment

i) Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Management reviews the expected useful life of property, plant and equipment at each accounting period. Any change in asset's useful life is adjusted prospectively.

ii) Subsequent cost

The cost of replacing part of an item of property, plant and equipment will be recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The cost of the day to day servicing of the property, plant and equipment are recognized in the statement of profit and loss as incurred.

Depreciation and amortization is provided so as to write down the assets to their residual values as 5% over their estimated useful lives on straight-line method . The selection of these residual values and estimated lives requires the exercise of management judgment. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The depreciation charge for each period should be recognized as an expense unless it is included in the carrying amount of another asset. The principal annual rates are as follows:

Class of assets	Estinmated useful life
Office Equipment	20%
Furniture & Fixtures	10%
Computer Equipment	25%
Leasehold Imrovements	25%

Intangible asset

Recognition and measurement

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the profit and loss account when incurred.

The intangible assets are amortized over their respective individual estimated useful lives on a straight line basis commencing from the date the assets are available to the company for its use.

The useful life of intangible assets is considered as follows-

Category	Rate %
Software	20.00%

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

3.02 Right of use assets and lease liabilities

The standard requires recognition of a 'right of use' asset, representing the right to use the underlying asset and a liability, representing the obligation to make lease payments, for almost all lease contracts. The impact on the Income Statement is that former lease-operating expenses are replaced by depreciation and interest. Total expenses (depreciation for 'right of use' assets and interest on lease liabilities) are higher in the earlier years of a typical lease and lower in the later years, in comparison with former accounting for operating leases.

3.03 Foreign currency transactions

Transactions in foreign currencies are translated to Taka at the foreign exchange rate prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Taka at the rate of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in the profit and loss and other comprehensive income as per International Accounting Standard (IAS) 21 The Effects of Changes in Foreign Exchange Rates.

3.04 Financial instruments

(i) Receivables from customer

Receivable from customers are recognized and stated the value of operational expenses with a markup. After deducting the payment received from customer and carried at anticipated realizable values.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank that are readily convertible to a known amount of cash, and are subject to an insignificant risk of change in value.

3.05 Liability for terminal benefits & earned leave

(i) Terminal Benefit

The Company has provided unrecognized terminal benefits as per the requirement of Bangladesh Labour Law 2006 & its subsequent amendment. Terminal benefits for its permanent employees, provision in respect of which is made on the basis of Actuarial Valuation. This scheme qualifies as a Defined Benefit Plan as per IAS 19 "Employee Benefits".

(ii) Earned Leave encashment

The Company has provided Earned Leave encashment as per the requirement of Bangladesh Labour Law 2006 & its subsequent amendment. Earned Leave encashment for its permanent employees, provision in respect of which is made on the basis of Actuarial Valuation. This scheme qualifies as a Defined Benefit Plan as per IAS 19 "Employee Benefits".

3.06 Provisions & contingencies

Provision is recognized on the balance sheet date if, as a result of past events, the company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

No provision is recognized for-

a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation; or

b) Any present obligation that arises from past events but is not recognized because-

* It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

* A reliable estimate of the amount of obligation cannot be made.

Contingencies arising from claim, litigation assessment, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

3.07 Taxation

Income tax expense represents the sum of the current tax and deferred tax. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current tax

Current tax expense has been estimated on the basis of Finance Act 2023 and 2024 and the Income Tax Act 2023

Deferred tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the carrying amounts of assets and liabilities and its tax base amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognised in the current period. The deferred tax asset / income or liability / expense do not create a legal liability / recoverability to and from the income tax authority.

3.08 Revenue recognition

In compliance with the requirements of IFRS - 15, revenue from the service is measured at the fair value of the consideration received or receivable, net of returns. The five step model has been complied in case of revenue recognition.

The five step model consist of :

1. Identification of contract(s) with a customer

2. Identification of performance obligation
3. Determination of transaction price
4. Allocation of transaction price to separate performance obligations
5. Recognition of revenue when entity satisfies performance obligations

3.09 Finance expenses

Finance expenses comprises of bank charges and interest expenses.

3.10 Events after the reporting period

Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed as at 31st March, 2025. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period.

3.11 General

i) All financial information presented in Taka have been rounded off to the nearest integer; and

ii) Previous year's figures have been rearranged wherever considered necessary to conform to current year's presentation.

4.00 Property, plant & equipment

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		13,262,032	12,585,132
Addition during the year		-	778,904
Disposal during the year		(403,553)	(102,004)
Closing balance		**12,858,479**	**13,262,032**
Accumulated depreciation			
Opening balance		9,596,540	6,124,402
Charged during the year		1,889,478	3,557,263
Disposed during the year		(286,354)	(85,125)
Closing balance		**11,199,664**	**9,596,540**
Written down value		**1,658,815**	**3,665,492**

Details are shown in Annexure A(i)

5.00 Right of use assets

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		19,654,289	8,295,867
Addition during the year		17,514,479	11,358,422
Disposal during the year		(19,654,289)	-
Closing balance		**17,514,479**	**19,654,289**
Accumulated amortization			
Opening balance		10,683,925	5,581,593
Amortized during the year		5,269,494	5,102,332
Disposed during the year		(12,832,488)	-
Closing balance		**3,120,931**	**10,683,925**
Written down value		**14,393,548**	**8,970,364**

Details are shown in Annexure A (ii)

6.00 Intangible assets

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance			-
Addition during the year		593,799	593,799
Disposal during the year		-	-
Closing balance		**593,799**	**593,799**
Accumulated amortization			
Opening balance		108,863	-
Amortized during the year		118,760	108,863
Closing balance		**227,623**	**108,863**
Written down value		**366,176**	**484,936**

Details are shown in Annexure A (iii)

7.00 Deferred Tax Assets

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		2,743,716	1,505,489
Income/(expenses) during the year	7.01	327,764	1,238,227
Closing balance		3,071,480	2,743,716

7.01 Computation as follows

In Taka	Carrying amount on reporting date	Tax Base	Taxable/ (Deductible) temporary difference
Property plant & equipment	1,658,816	6,916,859	(5,258,043)
Right of use-assets	14,393,547	-	14,393,547
Intangible assets	366,176	480,977	(114,801)
Provision for leave encashment	(2,954,607)	-	(2,954,607)
Liability for terminal benefit & earned leave	(3,542,860)	-	(3,542,860)
Lease liability	(14,486,242)	-	(14,486,242)
Security deposit of office rent	1,164,587	1,487,500	(322,913)
Net deductible temporary difference			(12,285,919)
Applicable tax rate			25.00%
Deferred tax (assets) / Liability as at 31 March 2025			**(3,071,480)**

7.02 Computation as follows

In Taka	Carrying amount on reporting date	Tax Base	Taxable/(Deductible) temporary difference
Property plant & equipment	3,665,492	7,970,223	(4,304,731)
Right of use-assets	8,970,364	-	8,970,364
Intangible assets	484,936	534,419	(49,483)
Advances, deposits and prepayments	30,439,655	30,495,845	(56,190)
Liability for terminal benefit & earned leave	(5,103,210)	-	(5,103,210)
Lease liability	(9,433,898)	-	(9,433,898)
Net deductible temporary difference			(9,977,148)
Applicable tax rate			27.50%
Deferred tax (assets) / Liability as at 31 March 2024			**(2,743,716)**

8.00 Receivables from customer

In Taka	Notes	31-Mar-25	31-Mar-24
Techno Design GmbH	8.01	34,239,293	31,023,374
Closing balance		**34,239,293**	**31,023,374**

8.01 Receivables from Techno Design GmbH

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		31,023,374	-
Addition during the year		135,753,239	117,054,751
Received during the year		(133,199,788)	(92,412,593)
Foreign exchange gain/(loss)		662,468	6,381,217
Closing balance		**34,239,293**	**31,023,374**

9.00 Advance, deposit & prepayments

In Taka	Notes	31-Mar-25	31-Mar-24
Advance	9.01	40,415,318	28,899,176
Deposit	9.02	1,164,587	785,702
Prepayments	9.03	800,641	754,777
Closing balance		**42,380,546**	**30,439,655**

9.01 Advance

In Taka	Notes	31-Mar-25	31-Mar-24
Advance income tax		40,199,098	28,553,124
Advance against expenses		216,220	346,051
Closing balance		**40,415,318**	**28,899,176**

9.02 Deposit

In Taka	Notes	31-Mar-25	31-Mar-24
Security deposit for rent		1,164,587	785,702
Closing balance		**1,164,587**	**785,702**

9.03 Prepayments

In Taka	Notes	31-Mar-25	31-Mar-24
Insurance - prepaid		777,641	731,777
Prepaid office rent		23,000	23,000
Closing balance		**800,641**	**754,777**

10.00 Cash & cash equivalents

In Taka	Notes	31-Mar-25	31-Mar-24
Cash at bank	10.01	13,705,645	18,110,751
Closing balance		**13,705,645**	**18,110,751**

10.01 Cash at bank

In Taka	Notes	31-Mar-25	31-Mar-24
Commercial Bank of Ceylon A/C No-1082013347		13,705,645	18,110,751
Closing balance		**13,705,645**	**18,110,751**

11.00 Share capital

In Taka	Notes	31-Mar-25	31-Mar-24
Authorized capital:			
10,000,000 ordinary shares of Taka 10 each		100,000,000	100,000,000
Issued subscribed and paid up capital:			
965,190 ordinary shares of Tk. 10 each	11.01	9,651,900	9,651,900

11.01 Shareholding Position

Name of the shareholders	%	No of shares	Total value
Multinational Textile Group Limited	49.00	472,944	4,729,440
Represented by Muhammad Shahed Mahmud			
Design Pod Limited	51.00	492,246	4,922,460
Represented by Rajive Ranjan			
Total	100.00	965,190	9,651,900

12.00 Share money deposit

In Taka	Notes	31-Mar-25	31-Mar-24
Design Pod Limited		21	21
Closing balance		**21**	**21**

13.00 Capital Reserve*

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		3,306,886	3,306,886
Addition during the year		-	-
Closing balance		**3,306,886**	**3,306,886**

*This is the balance of surplus of assets over liabilities as at 01 November 2019 after acquisition by the new shareholder.

14.00 Liability for employee benefits

In Taka	Notes	31-Mar-25	31-Mar-24
Liability for terminal benefit	14.01	3,542,858	2,557,502
Liability for leave encashment	14.02	2,954,607	2,545,706
Closing balance		**6,497,465**	**5,103,206**
Current portion of liability for employee benefit		2,392,198	1,610,502
Non current portion of liability for employee benefit		4,105,269	3,492,708
Total		**6,497,467**	**5,103,206**

14.01 Liability for terminal benefit*

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		2,557,502	1,150,824
Service cost		787,124	690,099
Interest cost		323,013	84,701
Benefits paid		(1,359,457)	(819,770)
Actuarial (gain)/loss on obligation		1,234,676	1,451,648
Closing balance		**3,542,858**	**2,557,502**

*The provision for terminal benefits is made on the basis of Actuarial Valuation. The current liability has been estimated to Tk. 1,033,964 and non-current liability has been estimated to Tk. 2,508,896

14.02 Liability for leave encashment*

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		2,545,706	2,045,260
Service cost		833,831	950,562
Interest cost		321,523	150,531
Benefits paid		(1,082,973)	(475,680)
Actuarial (gain)/loss on obligation		336,520	(124,967)
Closing balance		**2,954,607**	**2,545,706**

*The provision for earned leave is made on the basis of actuarial valuation. The current liability has been estimated to Tk. 1,358,234 and non-current liability has been estimated to Tk. 1,596,373.

15.00 Lease liability

In Taka	Notes	31-Mar-25	31-Mar-24
Lease liability (IFRS - 16)		14,486,242	9,433,898
Closing balance		**14,486,242**	**9,433,898**
Current portion of Lease liability		4,635,608	4,469,314
Non current portion of Lease liability		9,850,634	4,964,584
Total		**14,486,242**	**9,433,898**

16.00 Liability for expenses

In Taka	Notes	31-Mar-25	31-Mar-24
Audit fee payable		115,000	107,525
Salary payable		-	8,726,069
Bonus payable		1,448,352	600,603
Other accrued liabilities & payables		1,468,508	3,323,106
TDS payable		512,201	545,315
VAT payable		1,741,075	2,532,674
Closing balance		**5,285,137**	**15,835,292**

17.00 Provision for tax

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		28,758,440	17,242,367
Addition during the year		11,848,476	11,544,808
Paid during the year		-	(28,735)
Closing balance		**40,606,916**	**28,758,440**

18.00 Revenue

In Taka	Notes	31-Mar-25	31-Mar-24
Revenue - commission		-	6,884,961
Sale of service		118,046,296	101,786,739
Total		**118,046,296**	**108,671,701**

19.00 Administrative & marketing expense

In Taka	Notes	31-Mar-25	31-Mar-24
Employee Expenses	19.01	71,146,942	66,001,445
Office Rent		1,238,841	851,746
Cleaning Expenses		1,208,462	991,796
Travel Expenses and Dearness Allowance		4,007,015	1,674,910
Entertainment		433,347	922,593
Courier Bill		6,436,167	6,941,846
Printing & Stationery		828,469	878,358
Electricity & Other Utilities Bill		1,195,762	1,196,875
Internet bill and Mobile bill		2,023,210	1,937,857
Office supplies		388,408	488,683
Repair and maintenance		840,147	1,383,509
Local conveyance and accommodation		570,722	286,669
Car rent		3,304,086	7,309,991
Car parking & Fuel cost		2,215,649	4,869,062
Professional fees		588,243	1,487,303
Audit fees		115,000	107,525
Sample expenses		15,000	45,261
Depreciation on Right of Use Assets		5,269,494	5,102,332
Depreciation		1,889,478	3,557,263
Amortization		118,760	108,863
Other office expenses		2,403,441	2,104,975
Loss on disposal of non-current asset		104,154	16,880
Total		**106,340,796**	**108,265,742**

19.01 Employee Expenses

In Taka	Notes	31-Mar-25	31-Mar-24
Salary & allowances		60,401,384	56,711,748
Festival bonus		3,880,818	3,747,405
Incentive bonus		3,518,159	2,203,189
Terminal benefit		1,110,137	774,800
Leave encashment		1,155,354	1,101,093
Notice pay & Ex-Gratia		882,747	1,292,588
Overtime charges		198,343	170,622
Total		**71,146,942**	**66,001,445**

20.00 Finance Expense

In Taka	Notes	31-Mar-25	31-Mar-24
Bank charge		45,715	52,511
Interest expense on lease		1,031,923	898,235
Interest income on security deposit		(87,047)	(68,888)
Total		**990,591**	**881,859**

21.00 Other Income

In Taka	Notes	31-Mar-25	31-Mar-24
Foreign exchange gain		7,619,306	6,569,492
Sample sale		-	156,328
Gain on disposal of non-current assets		1,714	-
Gain on receipt of security deposit		810,010	-
Gain on lease termination		617,343	-
Total		**9,048,374**	**6,725,820**

22.00 Number of Employees

The company has thirty seven (37) employees as at 31 March 2025.

23.00 Contingent liability

There is no contingent liability arisen during this year.

24.00 Events after reporting period

There is no material events that had occurred after the date of statement of financial position till the date of issue of these financial statements, which could affect the figures stated in the financial statements.

25.00 Related Party Disclosures

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms length basis. The name of these related parties, nature of transactions and their total value have been set out below in accordance with the provisions of IAS-24.

Particulars	Nature of relationship	Nature of transactions
Techno Design GmbH	Group company	Sourcing support service

Opening balance	Addition during the year	Receipt during the year	FX Gain/(Loss)	Closing balance during the year
31,023,374	135,753,239	(133,199,787)	662,468	34,239,293

Techno Sourcing BD Limited
Property, Plant and Equipment's Schedule
For the year ended 31 March, 2025

Annexure A(i)

PARTICULAR	COST				Rate %	DEPRECIATION				Written down value as at 31 March 2025
	Balance as at 01 April 2024	Addition during the year	Disposed during the year	Balance as on 31 March 2025		Balance as at 01 April 2024	Addition during the year	Disposed during the year	Balance as on 31 March 2025	
Office Equipment	3,140,406	-	98,023	3,042,383	20%	2,369,653	346,736	83,858	2,632,531	409,852
Furniture & Fixtures	1,936,919	-	247,630	1,689,290	10%	1,043,932	129,657	147,491	1,026,098	663,191
Computer Equipment	5,777,954	-	57,900	5,720,054	25%	4,469,417	923,448	55,005	5,337,860	382,194
Leasehold Imrovements	2,406,753	-	-	2,406,753	25%	1,713,537	489,637	-	2,203,174	203,579
Total as at 31 March, 2025	**13,262,032**	**-**	**403,553**	**12,858,480**		**9,596,539**	**1,889,478**	**286,354**	**11,199,663**	**1,658,816**

Techno Sourcing BD Limited
Property, Plant and Equipment's Schedule
For the year ended 31 March, 2024

PARTICULAR	COST				Rate %	DEPRECIATION				
	Balance as at 01 April 2023	Addition during the year	Disposed during the year	Balance as on 31 March 2024		Balance as at 01 April 2023	Addition during the year	Disposed during the year	Balance as on 31 March 2024	Written down value as at 31 March 2024
Office Equipment	2,889,845	272,565	22,004	3,140,406	25%	1,767,451	612,063	9,861	2,369,653	770,753
Furniture & Fixtures	1,904,293	32,626	-	1,936,919	25%	909,300	134,632	-	1,043,932	892,987
Computer Equipment	5,384,241	473,713	80,000	5,777,954	25%	2,400,147	2,144,534	75,264	4,469,417	1,308,537
Leasehold Imrovements	2,406,753	-	-	2,406,753	25%	1,047,504	666,033	-	1,713,537	693,216
Total as at 31 March, 2024	**12,585,132**	**778,904**	**102,004**	**13,262,032**		**6,124,402**	**3,557,262**	**85,125**	**9,596,539**	**3,665,493**

Techno Sourcing BD Limited
Schedule of Right of Use Assets
For the year ended 31 March, 2025

Annexure A(ii)

Particulars	Cost				Depreciation				Written down value as at 31 March 2025
	Balance as at 01 April 2024	Addition during the year	Disposal during the year	Balance as on 31 March 2025	Balance as at 01 April 2024	Charged during the year	Disposal during the year	Balance as on 31 March 2025	
Right of use assets	19,654,289	17,514,479	19,654,289	17,514,479	10,683,926	5,269,494	12,832,488	3,120,932	14,393,547
Total	**19,654,289**	**17,514,479**	**19,654,289**	**17,514,479**	**10,683,926**	**5,269,494**	**12,832,488**	**3,120,932**	**14,393,547**

Techno Sourcing BD Limited
Schedule of Right of Use Assets
For the year ended 31 March, 2024

Particulars	Cost				Depreciation				Written down value as at 31 March 2024
	Balance as at 01 April 2023	Addition during the year	Disposal during the year	Balance as on 31 March 2024	Balance as at 01 April 2023	Charged during the year	Disposal during the year	Balance as on 31 March 2024	
Right of use assets	8,295,867	11,358,422	-	19,654,289	5,581,593	5,102,332	-	10,683,926	8,970,363
Total	**8,295,867**	**11,358,422**	**-**	**19,654,289**	**5,581,593**	**5,102,332**	**-**	**10,683,926**	**8,970,363**

Techno Sourcing BD Limited
Schedule of Intangible Assets
For the year ended 31 March, 2025

Annexure A(iii)

Particulars	Cost				Rate %	Amortization				Written down value as at 31 March 2025
	Balance as at 01 April 2024	Addition during the year	Disposal during the year	Balance as on 31 March 2025		Balance as at 01 April 2024	Charged during the year	Disposal during the year	Balance as on 31 March 2025	
Software	593,799	-	-	593,799	20%	108,863	118,760	-	227,623	366,176
Total	593,799	-	-	593,799		108,863	118,760	-	227,623	366,176

Techno Sourcing BD Limited
Schedule of Intangible Assets
For the year ended 31 March, 2024

Particulars	Cost				Rate %	Amortization				Written down value as at 31 March 2024
	Balance as at 01 April 2023	Addition during the year	Disposal during the year	Balance as on 31 March 2024		Balance as at 01 April 2023	Charged during the year	Disposal during the year	Balance as on 31 March 2024	
Software		593,799	-	593,799	20%	-	108,863	-	108,863	484,936
Total	-	593,799	-	593,799		-	108,863	-	108,863	484,936

Company registration number 12582277 (England and Wales)

UPCYCLE LABS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

UPCYCLE LABS LIMITED

COMPANY INFORMATION

Directors	Mr J R Ostrowski Mr S Ballari Mr A Agarwal
Company number	12582277
Registered office	Unit 2 Teal Industrial Park Cyan Close Netherfield Nottingham NG14 5JX
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

UPCYCLE LABS LIMITED

CONTENTS

UPCYCLE LABS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the company continued to be that of upcycling services for fashion brands & retailers to convert their unwanted inventory into new high-quality décor products and shop fittings.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J R Ostrowski	
Mr B Kane	(Resigned 20 January 2025)
Mr S Ballari	
Mr A Agarwal	

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small company exemption

This report has been prepared in accordance with the provisions of part 15 of the Companies Act 2006 related to small companies.

On behalf of the board

Ankur Agarwal

....

Mr A Agarwal

Director

Date: 12/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UPCYCLE LABS LIMITED

Opinion

We have audited the financial statements of Upcycle Labs Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UPCYCLE LABS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UPCYCLE LABS LIMITED (CONTINUED)

Rachel Chim (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 13 May 2025

Chartered Accountants
Statutory Auditor

UPCYCLE LABS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	**3**	170,999	157,766
Cost of sales		(62,917)	(6,315)
Gross profit		108,082	151,451
Administrative expenses		(781,598)	(545,204)
Operating loss	**4**	(673,516)	(393,753)
Investment income	**6**	77	14
Finance costs	**7**	(135,353)	(93,215)
Loss before taxation		(808,792)	(486,954)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(808,792)	(486,954)

UPCYCLE LABS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**8**		661,449		734,937
Property, plant and equipment	**9**		688,315		914,828
			1,349,764		1,649,765
Current assets					
Inventories	**10**	11,216		2,472	
Trade and other receivables	**11**	142,091		242,632	
Cash and cash equivalents		25,905		13,812	
		179,212		258,916	
Current liabilities	**12**	(389,682)		(306,458)	
Net current liabilities			(210,470)		(47,542)
Total assets less current liabilities			1,139,294		1,602,223
Non-current liabilities	**12**		(2,188,839)		(1,842,976)
Net liabilities			(1,049,545)		(240,753)
Equity					
Called up share capital	**16**		1,001		1,001
Share premium account	**17**		499,500		499,500
Revaluation reserve	**18**		48,625		48,625
Retained earnings			(1,598,671)		(789,879)
Total equity			(1,049,545)		(240,753)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12/05/2025 and are signed on its behalf by:

Ankur Agarwal
....
Mr A Agarwal
Director

Company registration number 12582277 (England and Wales)

UPCYCLE LABS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Share premium account	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£
Balance at 1 April 2023	1,001	499,500	48,625	(302,925)	246,201
Year ended 31 March 2024:					
Loss and total comprehensive income	-	-	-	(486,954)	(486,954)
Balance at 31 March 2024	1,001	499,500	48,625	(789,879)	(240,753)
Year ended 31 March 2025:					
Loss and total comprehensive income	-	-	-	(808,792)	(808,792)
Balance at 31 March 2025	1,001	499,500	48,625	(1,598,671)	(1,049,545)

1 Accounting policies

Company information

Upcycle Labs Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2, Teal Industrial Park, Cyan Close, Netherfield, Nottingham, NG14 5JX. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS.

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment and intangible assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 21.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The parent company, the company's main creditor, has provided an undertaking that it will not seek repayment of amounts owed to them until such time as the company is able to make the repayments. Thus, notwithstanding that as at the Balance Sheet date, the company had net liabilities of £1,049,545 (2024: £240,753), the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Revenue

Revenue is measured based on the consideration receivable for goods and services provided to a customer. The company recognises revenue when it transfers control of a product or service to a customer.

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives which is deemed to be 10 years.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	5-10 Years on straight line basis
Leasehold improvements	1-5 Years on straight line basis
Fixtures and fittings	3 Years on straight line basis
Plant and equipment	5-10 Years on straight line basis
Computers	3 Years on straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

1 Accounting policies **(Continued)**

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1 Accounting policies **(Continued)**

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases
At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

1 Accounting policies **(Continued)**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently 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 of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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.

Critical judgements
Valuations of lease liability & right-of-use asset
The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities and the right-of-use assets. These include determining the interest rate used for discounting of future cash flows. the present value of the lease payment is determined using the discount rate representing the company's incremental borrowing rate.

Development Costs
The directors would assess and apply judgement on whether costs incurred in the development of the intangible assets meet the conditions required for capitalisation.

3 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sales	111,581	96,379
Destruction	50,781	44,139
Other Revenue	8,637	17,248
	170,999	157,766

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	170,999	157,766

4 Operating loss

Operating loss for the year is stated after charging/(crediting):	2025 £	2024 £
Exchange losses	31	-
Research and development costs	5,329	-
Depreciation of property, plant and equipment	160,028	167,666
Amortisation of intangible assets (included within administrative expenses)	73,488	-
Cost of inventories recognised as an expense	55,049	6,315

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
	7	8

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	181,361	7,876
Social security costs	14,091	3,093
Pension costs	2,343	-
	197,795	10,969

6 Investment income

	2025 £	2024 £
Interest income		
Interest on bank deposits	-	14
Other interest income	77	-
Total income	77	14

7 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	1,096	271
Interest payable to group undertakings	107,901	61,145
Interest on lease liabilities	26,356	31,799
	135,353	93,215

8 Intangible fixed assets

	Development costs
	£
Cost	
At 31 March 2024	734,937
At 31 March 2025	734,937
Amortisation and impairment	
Charge for the year	73,488
At 31 March 2025	73,488
Carrying amount	
At 31 March 2025	661,449
At 31 March 2024	734,937

9 Property, plant and equipment

	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	874,289	62,929	255,989	12,963	11,090	1,217,260
Additions	-	-	589	532	1,015	2,136
Disposals	(159,687)	-	(7,408)	-	-	(167,095)
At 31 March 2025	714,602	62,929	249,170	13,495	12,105	1,052,301

9 Property, plant and equipment (Continued)

	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£	£
Accumulated depreciation and impairment						
At 1 April 2024	181,712	21,267	92,102	4,108	3,243	302,432
Charge for the year	95,412	10,308	46,004	4,417	3,887	160,028
Eliminated on disposal	(98,474)	-	-	-	-	(98,474)
At 31 March 2025	178,650	31,575	138,106	8,525	7,130	363,986
Carrying amount						
At 31 March 2025	535,952	31,354	111,064	4,970	4,975	688,315
At 31 March 2024	692,577	41,662	163,887	8,855	7,847	914,828

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	**2025**	**2024**
	£	£
Net values at the year end		
Property	535,952	692,578
Plant and equipment	4,929	11,499
	540,881	704,077
Depreciation charge for the year		
Property	95,412	103,398
Plant and equipment	6,571	6,571
	101,983	109,969

10 Inventories

	2025	**2024**
	£	£
Raw materials	11,216	2,472

11 Trade and other receivables

	2025	2024
	£	£
Trade receivables	21,971	36,079
VAT recoverable	5,207	37,884
Other receivables	87,427	95,098
Prepayments and accrued income	27,486	73,571
	142,091	242,632

12 Liabilities

		Current		Non-current	
		2025	2024	2025	2024
	Notes	£	£	£	£
Borrowings	13	-	8,923	1,675,000	1,200,000
Trade and other payables	14	311,446	184,654	-	-
Taxation and social security		-	5,552	-	-
Lease liabilities	15	78,236	107,329	513,839	642,976
		389,682	306,458	2,188,839	1,842,976

13 Borrowings

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Borrowings held at amortised cost:				
Directors' loans	-	8,923	-	-
Loans from fellow group undertakings	-	-	1,675,000	1,200,000

At the year end, the company owed £1,675,000 (2024: £1,200,000) to PDS Ventures Limited on a loan which attracts interest at 7% per annum. The loan is unsecured.

14 Trade and other payables

	2025	2024
	£	£
Trade payables	33,091	98,520
Amounts owed to related parties	80,888	-
Accruals and deferred income	197,032	85,995
Other payables	435	139
	311,446	184,654

15 Lease liabilities

	2025	2024
Maturity analysis	£	£
Within one year	99,924	134,868
In two to five years	580,577	733,167
Total undiscounted liabilities	680,501	868,035
Future finance charges and other adjustments	(88,426)	(117,730)
Lease liabilities in the financial statements	592,075	750,305

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2025	2024
	£	£
Current liabilities	78,236	107,329
Non-current liabilities	513,839	642,976
	592,075	750,305

	2025	2024
Amounts recognised in profit or loss include the following:	£	£
Interest on lease liabilities	26,356	31,799

Other leasing information is included in note 19.

16 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary Share Capital of £1 each	1	1	1	1
Ordinary A Share Capital of £1 each	500	500	500	500
Ordinary B Share Capital of £1 each	500	500	500	500
	1,001	1,001	1,001	1,001

17 Share premium account

	2025	2024
	£	£
At the beginning and end of the year	499,500	499,500

18 Revaluation reserve

	2025	2024
	£	£
At the beginning and end of the year	48,625	48,625

19 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2025	2024
	£	£
Expense relating to short-term leases	19,288	6,823

Information relating to lease liabilities is included in note 15.

20 Related party transactions

During the year, the company made purchases of £26,048 (2024: £24,892) and was recharged various costs of £13,242 (2024: £9,133) by Yellow Octopus Circular Solutions Limited. At the year end, Yellow Octopus Circular Solutions Ltd owed £799 (2024: 202) to the company and the company owed £10,888 (2024: £3,600) to Yellow Octopus Circular Solutions Limited.

During the year, the company was provided with a loan of £70k (2024: £NIL) from Yellow Octopus EU Limited which was outstanding at the year end.

During the year, the company received services to the value of £30k (2024: £25k) from Citium Asset Management Limited.

Mr J R Ostrowski is a director of the above entities.

At the year end, the company owed £1,854,546 (2024: £1,271,645) to PDS Venture Limited on a loan which attracts interest at 7% per annum. The loan is unsecured.

During the year, the company also provided services of £3,146 (2024: £NIL) to PDS Limited, £377 (2024: £NIL) to PDS Fashions Limited and £1,163 (2024: £NIL) to Norwest Industries Limited. At the year end, only £1,163 (2024: £NIL) was still owed by Norwest Industries Limited.

The above entities are part of the same PDS Limited group.

21 Controlling party

The immediate parent company of Upcycle Labs Limited is PDS Ventures Ltd, a company registered in Hong Kong.

The ultimate parent company of Upcycle Labs Limited is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

UPCYCLE LABS LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2025 £	2024 £	2024 £
Revenue				
Sales of goods		170,999		157,766
Cost of sales		(62,917)		(6,315)
Gross profit	63.21%	108,082	96.00%	151,451
Administrative expenses		(781,598)		(545,204)
Operating loss		(673,516)		(393,753)
Investment revenues				
Bank interest received	-		14	
Other interest received	77		-	
		77		14
Finance costs				
Bank interest on loans and overdrafts	1,096		271	
Finance lease interest payable	26,356		31,799	
Interest payable to group companies	107,901		61,145	
		(135,353)		(93,215)
Loss before taxation	472.98%	(808,792)	308.66%	(486,954)

SCHEDULES TO THE INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cost of sales		
Opening stock of finished goods	2,472	-
Purchases and other direct costs		
Raw materials purchases	42,141	-
Direct costs	14,708	4,466
Carriage inwards and import duty	6,944	4,321
Packaging	7,868	-
Total purchases and other direct costs	71,661	8,787
Total cost of sales	62,917	6,315

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Wages and salaries	138,717	-
Social security costs	8,115	-
Staff training	120	625
Staff pension costs defined benefit (allocation)	2,343	-
Redundancy costs - staff	4,906	-
Directors' remuneration	42,644	7,876
Directors' social security costs	5,976	3,093
Rent re operating leases	5,259	6,823
Rates	76,506	20,287
Cleaning	6,556	23,539
Power, light and heat	12,723	1,372
Property repairs and maintenance	250	1,469
Premises insurance	12,964	1,258
Equipment repairs	4,332	-
Software costs	7,094	4,135
Hire of equipment (not operating lease)	255	-
Leasing - motor vehicles	14,029	3,400
Motor running expenses	10,825	14,723
Travelling expenses	26,725	37,940
Postage, courier and delivery charges	1,263	2,061
Professional subscriptions	1,972	1,243
Legal and professional fees	1,651	22,992
Consultancy fees	41,460	130,284
Accountancy	23,237	40,989
Audit fees	11,150	11,550
Bank charges	1,020	1,085
Printing and stationery	4,143	2,765
Advertising	66,911	21,987
Telecommunications	3,160	1,889
Entertaining	4,789	7,297
Research and development costs	5,329	-
Sundry expenses	1,627	6,856
Amortisation	73,488	-
Depreciation	160,028	167,666
Profit or loss on foreign exchange	31	-
	781,598	545,204

Company registration number 14089027 (England and Wales)

VIVERE LONDON LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

VIVERE LONDON LIMITED

COMPANY INFORMATION

Directors	Mr Damian Hopkins	
	Mr Rahul Khettry	
	Mr Bhavesh Shah	(Appointed 9 May 2025)
Company number	14089027	
Registered office		
	Quadrant House 4 Thomas More Square London E1W 1YW	
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	

CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company continued to be that of wholesale and retail of clothing, footwear and textiles.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Damian Hopkins	
Mr Rahul Khettry	
Mr Roland Seregi	(Resigned 9 May 2025)
Mr Bhavesh Shah	(Appointed 9 May 2025)

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Damian Hopkins
....
Mr Damian Hopkins
Director

Date: 21/05/2025.........................

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVERE LONDON LIMITED

Opinion

We have audited the financial statements of Vivere London Limited (the 'company') for the year ended 31 March 2025 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVERE LONDON LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVERE LONDON LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Director that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIVERE LONDON LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama
Senior Statutory Auditor
For and on behalf of UHY Hacker Young Date: 21/05/2025

Chartered Accountants
Statutory Auditor

VIVERE LONDON LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover		775,781	575,335
Cost of sales		(637,022)	(497,927)
Gross profit		138,759	77,408
Distribution costs		(43,813)	(20,544)
Administrative expenses		(415,212)	(413,437)
Operating loss		(320,266)	(356,573)
Interest payable and similar expenses		-	(1)
Loss before taxation		(320,266)	(356,574)
Tax on loss		-	-
Loss for the financial year		(320,266)	(356,574)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

VIVERE LONDON LIMITED

BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**4**		7,879		7,000
Current assets					
Stocks		261,510		185,914	
Debtors	**5**	428,088		259,476	
Cash at bank and in hand		22,631		23,673	
		712,229		469,063	
Creditors: amounts falling due within one year	**6**	(755,169)		(190,858)	
Net current (liabilities)/assets			(42,940)		278,205
Net (liabilities)/assets			(35,061)		285,205
Capital and reserves					
Called up share capital	**7**		137		137
Share premium account			671,482		671,482
Profit and loss reserves			(706,680)		(386,414)
Total equity			(35,061)		285,205

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on ..21/05/2025... and are signed on its behalf by:

Damian Hopkins
....
Mr Damian Hopkins
Director

Company registration number 14089027 (England and Wales)

1 Accounting policies

Company information

Vivere London Limited is a private company limited by shares incorporated in England and Wales. The registered office is , Quadrant House, 4 Thomas More Square, London, E1W 1YW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 Years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Total	3	3

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2025.

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2024	7,000
Additions	3,239
At 31 March 2025	10,239
Depreciation and impairment	
At 1 April 2024	-
Depreciation charged in the year	2,360
At 31 March 2025	2,360
Carrying amount	
At 31 March 2025	7,879
At 31 March 2024	7,000

5 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	391,239	259,421
Amounts owed by group undertakings	35,604	-
Other debtors	1,245	55
	428,088	259,476

6 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	136,319	135,476
Amounts owed to group undertakings	595,376	38,079
Taxation and social security	7,896	9,803
Other creditors	15,578	7,500
	755,169	190,858

7 Called up share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and not fully paid				
Ordinary shares of 1p each	13,680	13,680	137	137

8 Parent company

The immediate parent company is The Brand Group Limited by virtue of its 76% ownership of the ordinary share capital and overall board control.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

VIVERE LONDON LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

VIVERE LONDON LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2025 £	2024 £	2024 £
Turnover				
Sales of goods		775,781		575,335
Cost of sales				
Opening stock of finished goods	185,914		-	
Purchases and other direct costs				
Finished goods purchases	647,662		566,321	
Direct costs	49,092		78,124	
Carriage inwards and import duty	14,730		34,324	
Packaging	1,134		5,072	
Total purchases and other direct costs	712,618		683,841	
Closing stock of finished goods	261,510		185,914	
Total cost of sales		(637,022)		(497,927)
Gross profit	17.89%	138,759	13.45%	77,408
Distribution costs				
Discounts allowed		(43,813)		(20,544)

VIVERE LONDON LIMITED

DETAILED PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2025 £	2024 £	2024 £
Administrative expenses				
Management charge - group	99,782		39,410	
Rent re operating leases	42,258		17,157	
Cleaning	696		-	
Power, light and heat	300		-	
Computer running costs	297		441	
Software costs	1,295		5,661	
Travelling expenses	1,621		2,278	
Postage, courier and delivery charges	7,924		8,356	
Professional subscriptions	-		49	
Legal and professional fees	5,857		31,983	
Consultancy fees	100,258		128,726	
Accountancy	1,900		5,360	
Audit fees	4,900		7,500	
Bank charges	1,447		498	
Insurances (not premises)	-		2,430	
Printing and stationery	491		-	
Advertising	133,992		111,409	
Telecommunications	515		-	
Entertaining	1,195		3,128	
Sundry expenses	8,051		48,797	
Depreciation	2,360		-	
Profit or loss on foreign exchange	73		254	
		(415,212)		(413,437)
Operating loss		(320,266)		(356,573)
Interest payable and similar expenses				
Bank interest on loans and overdrafts		-		(1)
Loss before taxation	41.28%	(320,266)	61.98%	(356,574)

WONDERWALL (F.E.) LIMITED

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

I, the undersigned, do hereby certify that I have examined this with its original and that the same is a true and complete copy of the original.

....
CHOW TSZ KIT CPA (Practising), ACA
Chartered Accountant
Certified Public Accountant (Practising), Hong Kong
Practising Certificate Number: P08162
Date: 16 MAY 2025

CHOW TSZ KIT
Certified Public Accountant (Practising)

WONDERWALL (F.E.) LIMITED

Contents	**Page no**

WONDERWALL (F.E.) LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the audited consolidated financial statements for the year ended 31 March 2025.

Principal activities

The principal activities of the Group is trading of garments. The activities of its principal subsidiaries are set out in the note to the consolidated financial statement

Dividends

The Directors do not recommend the payment of any dividend.

Share capital

Details of the share capital are summarised in the notes to consolidated financial statements.

Directors

The Directors of the Company during the year and up to the date of this report were:

HARARI David Jonathan
MALHOTRA Sandeep
SHAH Bhavesh Dinesh
THAKKAR Ajay

The appointment of Directors is governed by the Company's Articles of Association.

The name of Director who have served on the board of the Company's subsidiaries during the financial year and up to the date of this report were:

HARARI David Jonathan

Business review

The Group is a wholly-owned subsidiary of another body corporate. Accordingly, the Group is exempted from preparing a business review.

WONDERWALL (F.E.) LIMITED

DIRECTORS' REPORT

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

No transactions, arrangements and contracts of significance in relation to the Company's business of which the Company or any of its group companies was a party subsisted at the end of the year or at any time during the year in which any Directors of the Company had a material interest.

Directors' interests in shares and debentures of the Company or specified undertaking of the Company or any other associated corporation

At no time during the year was the Company or any of its group companies, a party to any arrangement to enable any of the Director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Equity-linked agreements

The Group had not entered into any equity-linked agreements during the year.

Permitted indemnity provisions

The Company's Articles of Association provides that a director or former director of the Company may be indemnified out of the Company's assets against any liability incurred by the director to a person other than the Company or an associated company of the Company in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability set out in the Company's Articles. This permitted indemnity provision is in force during the year and at the time of approval of this report.

Auditor

A resolution to re-appoint the retiring auditor, Chow Tsz Kit, Certified Public Accountant (Practising), will be put at the forthcoming annual general meeting.

On behalf of the Board

MALHOTRA Sandeep
Director

HONG KONG,

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WONDERWALL (F.E.) LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the annexed consolidated financial statements of Wonderwall (F.E.) Limited ("the Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 March 2025, and consolidated the statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and our Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

/… to be continued

Responsibilities of Directors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement 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 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 Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

/… to be continued

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WONDERWALL (F.E.) LIMITED
(Incorporated in Hong Kong with limited liability)

(Continuation)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements - Continued

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors 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.

The engagement partner on the audit resulting in this independent auditor's report is Chow Tsz Kit (Practising Certificate Number: P08162).

Chow Tsz Kit
Certified Public Accountant (Practising)

HONG KONG, 16 MAY 2025

Room 1324, 13/F.,
Beverley Commercial Centre,
87-105 Chatham Road South,
Tsim Sha Tsui, Kowloon, Hong Kong

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 HK$	2024 HK$
Revenue	7	121,587,187	11,283,675
Cost of sales		(111,060,664)	(10,137,908)
Gross profit		10,526,523	1,145,767
Other revenue	8	9,027	3,279,311
Administrative and operating expenses		(14,089,831)	(6,514,376)
Loss before taxation	9	(3,554,281)	(2,089,298)
Income tax	11	520,709	-
Loss for the year		(3,033,572)	(2,089,298)
Other comprehensive income Items that may be reclassified subsequently to consolidated profit or loss: Exchange differences on translation of foreign operation		33,715	135,419
Other comprehensive income for the year, net of tax		33,715	135,419
Loss and total comprehensive income for the year		(2,999,857)	(1,953,879)

WONDERWALL (F.E.) LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025 HK$	2024 HK$
Non-current assets			
Property, plant and equipment	12	128,237	101,054
Deferred tax assets	11	520,709	-
		648,946	101,054
Current assets			
Accounts receivable		6,908,143	1,993,916
Prepayments, deposits and other receivables		417,884	294,425
Amounts due from immediate holding company	13	512,088	503,238
Amounts due from fellow subsidiaries	13	7,116,303	3,085,505
Bank balances		2,454,804	4,782,888
		17,409,222	10,659,972
Current liabilities			
Accruals and other payables		1,464,038	531,671
Amounts due to fellow subsidiaries	14	7,291	149,060
Amounts due to immediate holding company	14	28,463,063	18,956,662
		29,934,392	19,637,393
Net current liabilities		(12,525,170)	(8,977,421)
Net liabilities		(11,876,224)	(8,876,367)
Equity			
Share capital	15	4	4
Reserves	17	(11,876,228)	(8,876,371)
		(11,876,224)	(8,876,367)

HARARI David Jonathan
Director

MALHOTRA Sandeep
Director

WONDERWALL (F.E.) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$	Exchange reserves HK$	Accumulated losses HK$	Total HK$
At 1.4.2023	4	(134,012)	(6,788,480)	(6,922,488)
Loss and total comprehensive income for the year	-	135,419	(2,089,298)	(1,953,879)
At 31.3.2024 and 1.4.2024	4	1,407	(8,877,778)	(8,876,367)
Loss and total comprehensive income for the year	-	33,715	(3,033,572)	(2,999,857)
At 31.3.2025	4	35,122	(11,911,350)	(11,876,224)

WONDERWALL (F.E.) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$	2024 HK$
Cash flows from operating activities		
Loss before taxation	(3,554,281)	(2,089,298)
Adjustment for:		
Interest income	(9,027)	(2,893)
Finance costs	19,376	107,324
Depreciation	56,384	24,435
Operating loss before working capital changes	(3,487,548)	(1,960,432)
Increase in accounts receivable	(4,914,227)	(1,993,916)
Increase in prepayments, deposits and other receivables	(123,459)	(156,114)
Increase in accruals and other payables	932,367	10,033
Net cash used in operating activities	(7,592,867)	(4,100,429)
Cash flows from investing activities		
Interest received	9,027	2,893
Purchase of property, plant and equipment	(84,697)	(57,466)
Advance to fellow subsidiaries	(4,030,798)	(3,085,505)
Advance to immediate holding company	(8,850)	(503,238)
Net cash used in investing activities	(4,115,318)	(3,643,316)
Cash flows from financing activities		
Loan from a Director	-	(968,430)
Bank borrowing - repaid	-	(6,024,269)
Interest paid	(19,376)	(107,324)
(Repayment to) / advance from fellow subsidiaries	(141,769)	149,060
Advance from immediate holding company	9,506,401	18,956,662
Net cash generated from financing activities	9,345,256	12,005,699
Net (decrease) / increase in cash and cash equivalents	(2,362,929)	4,261,954
Cash and cash equivalents at beginning of year	4,782,888	385,515
Effect of foreign exchange rate changes	34,845	135,419
Cash and cash equivalents at end of year	2,454,804	4,782,888
Analysis of cash and cash equivalents		
Bank balances	2,454,804	4,782,888

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 General information

The Company is a private company incorporated and domiciled in Hong Kong with limited liabilities, its registered office and principal place of business at 7/F., Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Directors consider that the immediate holding company is Simple Approach Limited, a private company incorporated in Hong Kong.

The Directors consider that the intermediate holding company is PDS Sourcing Limited, a private company incorporated in Mauritius.

PDS Limited, a company incorporated in India and the shares are listed on the Bombay Stock Exchange (Stock code: 538730) and National Stock Exchange of India (Stock code: PDSL), is the Company's ultimate holding company.

The principal activities of the Group is trading of garments. The activities of its principal subsidiaries are set out in the note to the consolidated financial statement

2 Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (" HKFRSs "), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

Going concern

As at 31 March 2025, there was a deficit on Shareholder's funds of HK$11,876,224.

The immediate holding company has confirmed its present intention to provide financial support to the Group to enable it to meet its liabilities as and when they fall due and to enable the Group to continue business for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3 Basis of preparation

These consolidated financial statements are prepared under the historical cost convention.

4 Adoption of new and revised Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new and revised HKFRSs that are first effective for the current accounting period of the Group. The adoption of these HKFRSs has no material impact on these consolidated financial statements.

The Group has not applied the new or revised HKFRSs that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

5 Significant accounting policies

a Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing whether the Group has power, only substantive rights are considered.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The gain or loss on the disposal of a subsidiary that result in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Group's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

5 Significant accounting policies - Continued

a Basis of consolidation - Continued

In the Company's statement of financial position, investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

b Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the respective accounting policy. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

c Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortisation and depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Assets are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method at the following annual rates:

5 Significant accounting policies - Continued

c Property, plant and equipment - Continued

Furniture and fixtures	33.33%
Computers	33.33%

The gain or loss arising from derecognition of an item of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in consolidated profit or loss.

d Financial assets

The Group classifies its financial assets in the categories of financial assets at amortised costs and financial assets at FVOCI. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at amortised costs

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

5 Significant accounting policies - Continued

e Revenue recognition

Major categories of revenue are recognised in the consolidated financial statements on the following bases:

Sales of goods are recognised when goods are delivered and title together with risks and rewards of ownership of goods have been passed to the customers.

Interest income is recognised on a time proportion basis on the principal outstanding and at the effective interest rate applicable.

f Receivables

A receivable is recognised when the Group's right to consideration is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

g Financial assets and allowance for expected credit losses

Loss allowances for lifetime expected credit losses on accounts receivable are recognised using a provision matrix as for all outstanding balances over 365 days as at year end.

h Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

i Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits and other short-term highly liquid investments with original maturities of three months or less.

5 Significant accounting policies - Continued

j Impairment of non-financial assets

At the end of each reporting period, assets, other than financial assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. When an indication of impairment exists, the Group estimates the asset's recoverable amount, being the higher of the asset's fair value less costs to sell and its value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount in profit or loss. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss recognised in prior year for an asset is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss.

k Income tax

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in consolidated profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

5 Significant accounting policies - Continued

k Income tax - Continued

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in consolidated profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

l Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

m Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances in each entity's financial statements

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

5 Significant accounting policies - Continued

m Foreign currency translation - Continued

(iii) Translation on consolidation

The financial performance and financial position of all the Group's entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

n Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

o Related parties

i A person, or a close member of that person's family, is related to the Group if that person:

a has control or joint control over the Group;

b has significant influence over the Group; or

c is a member of the key management personnel of the Group or the Company's parent.

5 Significant accounting policies - Continued

o Related parties - Continued

ii An entity is related to the Group if any of the following conditions applies:

a The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

b One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

c Both entities are joint ventures of the same third party.

d One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

e The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

f The entity is controlled or jointly controlled by a person identified in (i).

g A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

h The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

6 Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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 below:

6 Critical accounting estimates and judgements - Continued

a Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b Allowance for bad and doubtful debts

The Group makes allowance for bad and doubtful debts based on assessments of the recoverability of the accounts and other receivables, including the current creditworthiness and the past collection history of each debtor. Allowances arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the accounts and other receivables; and doubtful debt expenses in the year in which such estimate has been changed.

7 Revenue

	2025 HK$	2024 HK$
Sales of garments	121,587,187	11,283,675

8 Other revenue

	2025 HK$	2024 HK$
Bank interest income	9,027	2,893
Agency fee income	-	2,392,065
Infrastructure income	-	884,353
	9,027	3,279,311

9 Loss before taxation

Loss before taxation is arrived at after charging / (crediting) the following items:

	2025 HK$	2024 HK$
Auditor's remuneration	160,359	-
Staff costs including Directors' emoluments:		
Salaries and allowances	7,519,300	2,858,977
Retirement benefits scheme contributions	683,188	637,912
Net exchange loss	19,762	390,233
Depreciation	56,384	24,435

10 Directors' remuneration

Remuneration of the Directors of the Company disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:-

	2025 HK$	2024 HK$
Acting as Directors		
Emoluments (including benefit in kind)	1,981,263	1,234,638
Retirement benefits scheme contributions	-	-
	1,981,263	1,234,638

11 Income tax

a No provision for Hong Kong profits tax has been made as in the opinion of directors there was no income chargeable to Hong Kong profits tax during the year. (2024: No provision)

Tax charge on assessable profits elsewhere have been calculated at rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

11 Income tax - Continued

b The reconciliation between income tax expense and accounting loss of the Group in the consolidated financial statements is as follows:

	2025 HK$	2024 HK$
Loss before taxation	(3,554,281)	(2,089,298)
Notional tax at the applicable tax rate of 16.5%	(586,456)	(344,734)
Tax effect of non-taxable income	(1,489)	(10,514)
Tax effect of unrecognised temporary differences	-	(8,245)
Tax effect of unrecognised tax losses	67,236	363,493
	(520,709)	-

c The components of deferred tax assets recognised in the consolidated financial statements and the movements during the year are as follows:

	Tax losses HK$
At 1.4.2023, 31.3.2024 and 1.4.2024	-
Credited to profit or loss	(520,709)
At 31.3.2025	(520,709)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 31 MARCH 2025

12 Property, plant and equipment

	Furniture and fixtures HK$	Computers HK$	Total HK$
Cost			
At 1.4.2023	20,889	65,011	85,900
Additions	11,700	45,766	57,466
At 31.3.2024 and 1.4.2024	32,589	110,777	143,366
Additions	4,635	80,062	84,697
Exchange realignment	(188)	(39)	(227)
At 31.3.2025	37,036	190,800	227,836
Accumulated depreciation			
At 1.4.2023	4,310	13,567	17,877
Charge for the year	5,682	18,753	24,435
At 31.3.2024 and 1.4.2024	9,992	32,320	42,312
Charge for the year	9,452	46,932	56,384
Exchange realignment	207	696	903
At 31.3.2025	19,651	79,948	99,599
Carrying amounts			
At 31.3.2025	17,385	110,852	128,237
At 31.3.2024	22,597	78,457	101,054

13 Amounts due from fellow subsidiaries / immediate holding company

	2025 HK$	2024 HK$	Maximum balances outstanding during the year HK$
Immediate holding company			
Simple Approach Limited	512,088	503,238	512,088
Fellow subsidiaries			
Poeticgem International Limited	-	1,347,207	1,347,207
Norwest Industries Limited	7,116,303	1,738,298	7,116,303
	7,116,303	3,085,505	

The amounts are unsecured, non-interest bearing and have no fixed terms of repayments.

14 Amounts due to a subsidiary / immediate holding company

The amounts are unsecured, non-interest bearing and have no fixed terms of repayments.

15 Share capital

	2025 HK$	2024 HK$
Issued and fully paid:		
4 ordinary shares of HK$4	4	4

16 Statement of financial position of the Company

The following is the statement of financial position of the Company. The accounting policies adopted in respect of the investments in subsidiaries as set out in the note to consolidated financial statements.

	2025 HK$	2024 HK$
Non-current assets		
Investment in a subsidiary	9	9
Property, plant and equipment	61,605	53,580
Deferred tax assets	520,709	-
	582,323	53,589
Current assets		
Accounts receivable	6,908,143	1,993,915
Deposits and prepayments	248,148	81,030
Amounts due from fellow subsidiaries	14,769,416	12,194,004
Cash and bank balances	1,228,195	2,106,285
	23,153,902	16,375,234
Current liabilities		
Accounts and other payables	1,167,442	718,869
Amount due to a subsidiary	-	17,114
Amount due to immediate holding company	28,463,065	18,956,663
	29,630,507	19,692,646
Net current liabilities	(6,476,605)	(3,317,412)
Net liabilities	(5,894,282)	(3,263,823)
Equity		
Share capital	4	4
Reserves	(5,894,286)	(3,263,827)
	(5,894,282)	(3,263,823)

HARARI David Jonathan
Director

MALHOTRA Sandeep
Director

17 Reserves

a Group

The amounts of the Group ' s reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of changes in equity.

b Company

	Other reserves HK$	Accumulated losses HK$	Total HK$
At 1.4.2023	-	(1,808,831)	(1,808,831)
Loss and total comprehensive income for the year	-	(1,454,996)	(1,454,996)
At 31.3.2024 and 1.4.2024	-	(3,263,827)	(3,263,827)
Loss and total comprehensive income for the year	4,643	(2,635,102)	(2,630,459)
At 31.3.2025	4,643	(5,898,929)	(5,894,286)

18 Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern. The Directors regard total equity as capital, for capital management purposes.

The Group manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analysis.

19 Related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following significant transactions with its related parties:

a Transactions with related parties

	2025 HK$	2024 HK$
Fellow subsidiaries		
- Recharge of administrative expenses	468,180	820,136
- Purchases	109,594,053	10,065,924
- Management fee	987,437	-
- Infrastructure income	-	550,716

b Key management personnel compensation

The key management personnel of the Group comprises all Directors, details of their emoluments were disclosed in note 10.

20 Financial instruments

a Categories of financial instruments

	2025 HK$	2024 HK$
Financial assets		
Financial assets at amortised costs	17,409,222	10,659,972
Financial liabilities		
Financial liabilities at amortised costs	29,934,392	19,637,393

b Financial risk management

The Group's activities exposed it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

20 Financial instruments - Continued

b Financial risk management - Continued

i Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has certain exposure to foreign currency risk as some of its financial assets are denominated in currencies other than the functional currency of the Group, mainly United State dollars (“US$”). The Group has not adopted any financial instruments for hedging purposes. However, the Group will constantly assess the foreign exchange risk it encounters so as to decide the hedging policy required against the possible foreign exchange risk that may arise.

The Directors consider there are no significant foreign exchange risk with respect to the US$ as HK$ is pegged to US$.

ii Credit risk

The carrying amounts of accounts receivable, deposits and cash and bank balances included in the consolidated statement of financial position represent the Group ’ s maximum exposure to credit risk in relating to the Group’s financial assets.

The Group has no concentrations of credit risk. The Group's credit risk is primarily attributable to the accounts and other receivables. It also sets credit limit on each individual customer and prior approval is required for any transaction exceeding that limit. The customer with sound payment history would accumulate a higher credit limit.

At the reporting date, the carrying amount of trade and other receivables is immaterial and their exposures to credit risk are not considered to be significant.

The credit risk on bank balances is limited because the counterparty is a licensed bank in Hong Kong with high credit-ratings.

iii Liquidity risk

All the Group’s financial liabilities are due less than one year.

The Group’s policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

iv Interest rate risk

The Group’s exposure to cash flow interest-rate risk arises from its bank balances bearing interests at variable rates varied with the then prevailing market condition. The Directors consider the Group’s exposure to cash flow interest rate risk is minimal.

20 Financial instruments - Continued

c Fair values

The Directors have considered that the carrying amounts of all financial assets and liabilities approximated to their fair values at 31 March 2025 and 31 March 2024.

21 Subsidiaries

Details of principal subsidiaries as at 31 March 2025 are as follows:

Name	:	Wonderwall (F.E.) Limited
Place of incorporation	:	United Kingdom
Issued share capital	:	GBP 1
Shareholding	:	100%
Principal activities	:	Sourcing and manufacturing of garments

22 Approval of consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on

Company registration number 14777296 (England and Wales)

PDS LIFESTYLE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

PDS LIFESTYLE LIMITED

COMPANY INFORMATION

Directors	Mr S Ballari Mr A Kanoi Mr M Watts	 (Appointed 10 January 2025)
Company number	14777296	
Registered office	Quadrant House - Floor 6 4 Thomas More Square London United Kingdom E1W 1YW	
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	

CONTENTS

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid (2024: £1,613,000). The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B Shah	(Resigned 31 March 2025)
Mr S Ballari	
Mr A Kanoi	
Mr M Watts	(Appointed 10 January 2025)

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

M J Watts

Mr M Watts
Director

14 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PDS LIFESTYLE LIMITED

Opinion

We have audited the financial statements of PDS Lifestyle Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PDS LIFESTYLE LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 14 May 2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		(268,185)	(162,251)
Operating loss	**2**	(268,185)	(162,251)
Investment revenues	**4**	104,090	1,981,409
Finance costs	**5**	(376,974)	-
(Loss)/profit before taxation		(541,069)	1,819,158
Income tax expense		-	-
(Loss)/profit and total comprehensive income for the year		(541,069)	1,819,158

PDS LIFESTYLE LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Non-current assets			
Investments	**7**	14,600,001	14,600,001
Current assets			
Trade and other receivables	**9**	479,329	4,188,296
Cash and cash equivalents		3,668	26,391
		482,997	4,214,687
Current liabilities			
Trade and other payables	**11**	453,490	5,957,710
Net current assets/(liabilities)		29,507	(1,743,023)
Non-current liabilities			
Borrowings	**10**	14,964,418	12,650,819
Net (liabilities)/assets		(334,910)	206,159
Equity			
Called up share capital	**12**	1	1
Retained earnings		(334,911)	206,158
Total equity		(334,910)	206,159

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 14 May 2025 and are signed on its behalf by:

MJ Watts

Mr M Watts
Director

Company registration number 14777296 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 3 April 2023		-	-	-
Period ended 31 March 2024:				
Profit and total comprehensive income		-	1,819,158	1,819,158
Transactions with owners:				
Issue of share capital	**12**	1	-	1
Dividends	**6**	-	(1,613,000)	(1,613,000)
Balance at 31 March 2024		1	206,158	206,159
Year ended 31 March 2025:				
Loss and total comprehensive income		-	(541,069)	(541,069)
Balance at 31 March 2025		1	(334,911)	(334,910)

PDS LIFESTYLE LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**16**		(2,063,438)		1,607,163
Interest paid			(376,974)		-
Net cash (outflow)/inflow from operating activities			(2,440,412)		1,607,163
Investing activities					
Purchase of subsidiaries		-		(14,600,001)	
Interest received		104,090		86,151	
Dividends received		-		1,895,258	
Net cash generated from/(used in) investing activities			104,090		(12,618,592)
Financing activities					
Proceeds from issue of shares		-		1	
Proceeds from borrowings		-		12,650,819	
Repayment of borrowings		2,313,599		-	
Dividends paid		-		(1,613,000)	
Net cash generated from financing activities			2,313,599		11,037,820
Net (decrease)/increase in cash and cash equivalents			(22,723)		26,391
Cash and cash equivalents at beginning of year			26,391		-
Cash and cash equivalents at end of year			3,668		26,391

1 Accounting policies

Company information

PDS Lifestyle Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, United Kingdom, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 3 April 2023. Therefore, the comparatives to the period ended 31 March 2024 represent just under 12 months of trading.

1.2 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

1 Accounting policies **(Continued)**

Financial assets at fair value through profit or loss
When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income
Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company’s business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets
Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1 Accounting policies **(Continued)**

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.6 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.7 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Operating loss

	2025	**2024**
Operating loss for the year is stated after charging/(crediting):	**£**	**£**
Exchange losses	101,387	22,425

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Management	3	3

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2025.

4 Investment income

	2025 £	2024 £
Interest income		
Financial instruments measured at amortised cost:		
Other interest income on financial assets	104,090	86,151
Other income		
Dividends from shares in group undertakings	-	1,895,258
	104,090	1,981,409

Income above relates to assets held at amortised cost, unless stated otherwise.

5 Finance costs

	2025 £	2024 £
Other interest payable	376,974	-

6 Dividends

Amounts recognised as distributions:	2025 per share £	2024 per share £	2025 Total £	2024 Total £
Ordinary shares				
Interim dividend paid	-	1,613,000.00	-	1,613,000

7 Investments

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Investments in subsidiaries	-	-	14,600,001	14,600,001

Fair value of financial assets carried at amortised cost

The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

8 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
New Lobster Limited	6-10 Market Road, London, United Kingdom, N7 9PW	Ordinary shares	100.00

9 Trade and other receivables

	2025	2024
	£	£
VAT recoverable	-	1,121
Amounts owed by subsidiary undertakings	291,948	-
Amounts owed by fellow group undertakings	-	3,843,320
Other receivables	-	10
Prepayments	187,381	343,845
	479,329	4,188,296

10 Borrowings

	Non-current	
	2025	2024
	£	£
Borrowings held at amortised cost:		
Loans from fellow group undertakings	14,964,418	12,650,819

Loans are held with fellow group undertakings and are interest free.

11 Trade and other payables

	2025	2024
	£	£
Amounts owed to fellow group undertakings	388,448	5,957,710
Social security and other taxation	65,042	-
	453,490	5,957,710

12 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	1	1	1	1

In the previous year, the company issued 1 ordinary share of £1 at par.

13 Capital risk management

The company is not subject to any externally imposed capital requirements.

14 Related party transactions

At the year end, £291,948 was owed by (2024: £12,650,819 owed to) New Lobster Limited, its subsidiary.

At the year end, £1,422,991 was owed to (2024: £3,843,320 owed from) Norwest Industries Limited, Hong Kong.

At the year end, £388,448 (2024: £109,353) was owed to Multinational Textile Group Limited.

At the year end, £5,290,212 (2024: £5,800,200) was owed to Poeticgem Limited.

At the year end, £8,251,215 (2024: £48,157) was owed to PDS Sourcing Limited.

The above companies are all part of the PDS Limited group.

15 Controlling party

15 Controlling party (Continued)

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius, and the ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Corporate Office: Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

16 Cash (absorbed by)/generated from operations

	2025	2024
	£	£
(Loss)/profit for the year before income tax	(541,069)	1,819,158
Adjustments for:		
Finance costs	376,974	-
Investment income	(104,090)	(1,981,409)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	3,708,967	(4,188,296)
(Decrease)/increase in trade and other payables	(5,504,220)	5,957,710
Cash (absorbed by)/generated from operations	(2,063,438)	1,607,163

17 Analysis of changes in net debt

	1 April 2024	Cash flows	31 March 2025
	£	£	£
Cash at bank and in hand	26,391	(22,723)	3,668
Borrowings excluding overdrafts	(12,650,819)	(2,313,599)	(14,964,418)
	(12,624,428)	(2,336,322)	(14,960,750)

17 Analysis of changes in net debt (Continued)

Prior year:	3 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	-	26,391	26,391
Borrowings excluding overdrafts	-	(12,650,819)	(12,650,819)
	-	(12,624,428)	(12,624,428)

PDS LIFESTYLE LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

PDS LIFESTYLE LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

		Year ended 31 March		Period ended 31 March
	2025	2025	2024	2024
	£	£	£	£
Revenue		-		-
Administrative expenses		(268,185)		(162,251)
Operating loss		(268,185)		(162,251)
Investment revenues				
Interest receivable from group companies	104,090		86,151	
Dividends receivable from group companies	-		1,895,258	
		104,090		1,981,409
Finance costs				
Other interest payable		(376,974)		-
(Loss)/profit before taxation		(541,069)		1,819,158

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		
Software costs	(1)	-
Legal and professional fees	163,614	137,878
Bank charges	3,185	1,948
Profit or loss on foreign exchange	101,387	22,425
	268,185	162,251

PDS LOGISTICS FZCO

Audited Financial Statements

For the year April 01, 2024 to March 31, 2025

Table of Contents

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025.

Principal activities of the Entity:
Activity of the company is logistic services

Financial review:

The table below summarizes the results of 2024-25 and 2023-24

		(figures in AED)
Particulars	**01.04.2024 to 31.03.2025**	**03.10.2022 to 31.03.2024**
Revenue	-	-
Net profit/(Loss) for the year	(40,021)	(100,399)

Role of the Manager:
The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:
In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026

Statement of Manager responsibilities:

The applicable requirements require the Manager 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.

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 Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS LOGISTICS FZCO

Rahul Khetry

Mr.Rahul Khettry
Authorized Signatory

PDS LOGISTICS FZCO DUBAI - U.A.E.

+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Moda And Beyond FZCO,
Dubai, United Arab Emirates.

Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **Moda And Beyond FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 30th April, 2025

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 03.10.2022 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	**(A)**	-	-
Current Assets			
Advances, Deposits and Trade Receivables	7	19,876	22,508
Cash and Cash Equivalents	8	8,012	5,401
Total Current Assets	**(B)**	**27,888**	**27,909**
Total Assets	**(A+B)**	**27,888**	**27,909**
Equity			
Share Capital	9	100,000	100,000
Retained Earnings	10	(140,420)	(100,399)
Shareholder Current Account		-	-
Total Equity	**(C)**	**(40,420)**	**(399)**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Trade Payables	11	-	-
Due to Related Parties	12	68,308	28,308
Total Current Liabilities	**(E)**	**68,308**	**28,308**
Total Liabilities	**(F)=(D+E)**	**68,308**	**28,308**
Total Equity and Liabilities	**(C+F)**	**27,888**	**27,909**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS LOGISTICS FZCO

Rahul Khettry

Mr.Rahul Khettry
Authorized Signatory

PDS LOGISTICS FZCO DUBAI - U.A.E.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 03.10.2022 to 31.03.2024
Revenue	13	-	-
Cost of revenue		-	-
Gross profit		-	-
General and administrative expenses	14	(39,752)	(100,296)
Finance Cost		(269)	(103)
Profit/ (Loss) for the period		(40,021)	(100,399)
Attributable to:			
- Shareholder of the Company		(40,021)	(100,399)
- Non-controlling interest		-	-
		(40,021)	(100,399)
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**(40,021)**	**(100,399)**
Attributable to:			
- Shareholder of the Company		(40,021)	(100,399)
- Non-controlling interest		-	-
		(40,021)	**(100,399)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS LOGISTICS FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS LOGISTICS FZCO DUBAI - U.A.E.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement **of changes in equity - for the year** ended **March 31, 2025**

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced October 03, 2022	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(100,399)	-	**(100,399)**
Net Movements during the Period		-	-	-
Balance as at March 31, 2024	**100,000**	**(100,399)**	-	**(399)**
Profit/(Loss) for the Period	-	(40,021)	-	**(40,021)**
Net Movements during the Period		-	-	-
Balance as at March 31, 2025	**100,000**	**(140,420)**	-	**(40,420)**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS LOGISTICS FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Cash Flow Statement for the year ended March 31, 2025

		(figures in AED)
	01.04.2024 to 31.03.2025	03.10.2022 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	(40,021)	(100,399)
Adjustments:		
Depreciation	-	-
Financial Charges	-	-
Net cash from operating activities	**(40,021)**	**(100,399)**
Changes in working capital		
(Increase)/Decrease in other current assets	2,632	(22,508)
Increase/(Decrease) in Trade payables	40,000	28,308
Net cash used in operating activities	**2,611**	**(94,599)**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	-	-
Shareholder Current Account	-	-
Net cash generated in financing activities	-	**100,000**
Net increase in cash and cash equivalents	2,611	5,401
Cash and cash equivalents beginning of period	5,401	-
Cash and cash equivalents end of period	**8,012**	**5,401**
Represented by:		
Cash Balance and Bank Balance	8,012	5,401
	8,012	**5,401**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS LOGISTICS FZCO

Rahul Khettry

Mr.Rahul Khettry
Authorized Signatory

PDS LOGISTICS FZCO DUBAI - U.A.E.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

1 LEGAL STATUS :

PDS LOSGITICS FZCO is incorporated on **October 03, 2022 under License No.- 05365 issued by Dubai Integrated Economic Zone Authority, Dubai, UAE**

The registered address of the company is 2E M096 Mezzanine floor, 2 East Dubai Airport Free Zone , Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1. Mr. Deepak Kumar Seth
2. Mr. Rahul Khettry

2 BUSINESS ACTIVITIES :

Activity of the company is logistic services

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a net loss of AED 40,021 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	(figures in AED) 03.10.2022 to 31.03.2024
7 Advances, Prepaid expenses and Trade Receivables		
Prepaid Rent	8,323	8,323
Prepaid Expenses	10,028	7,510
DIEZ E-Wallet	1,525	6,675
	19,876	**22,508**
8 Cash And Cash Equivalents		
Cash and Bank balance	8,012	5,401
	8,012	**5,401**

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1000/- each. The name of the shareholder and his contribution in the capital is as follows:

The shareholding of the company is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	51%	51	51,000
Mr. Quamruzzaman Mohammad Shams Bin Quasem	Bangladesh	10%	10	10,000
Mr. Muhammad Shahed	United Kingdom	39%	39	39,000
			100	**100,000**

10 Retained Earnings		
Balance at the beginning of the Period	(100,399)	-
Profit/(Loss) for the Period	(40,021)	(100,399)
Balance at the end of the Period	**(140,420)**	**(100,399)**
11 Trade & Other Payables		
Other Payables	-	-
	-	-

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Transactions with related party included in the Financial statements are as follows:

Amount due to related parties	**31.03.2025**	**31.03.2024**
PDS Multinational FZCO	68,308	28,308
	68,308	**28,308**
13 Revenue		
Revenue	-	-
	-	-

PDS LOGISTICS FZCO

2E M096, Mezzanine Floor, 2 East Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

14 General & Administrative Expenses	01.04.2024 to 31.03.2025	03.10.2022 to 31.03.2024
Rent Expense	16,645	22,193
License Expenses	21,107	27,897
Legal & Professional Charges	2,000	7,105
Miscellenous Expenses	-	440
Admin Recharge –Infrastructure Expenses	-	1,239
Consultancy Expenses	-	1,835
License Amendment Expenses	-	39,587
	39,752	**100,296**

15 RISK MANAGEMENT

15.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

15.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

15.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

16 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025.The previous period covers the period of 17 months from October 03, 2022 to March 31, 2023. Previous period figures may have regrouped or rearranged for better presentation.

17 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on April 29, 2025.

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

FOR PDS LOGISTICS FZCO

Mr.Rahul Khettry

Authorized Signatory

DUBAI - U.A.E. PDS LOGISTICS FZCO

PDS Manufacturing Limited

Financial statements

31 March 2025

PDS Manufacturing Limited

Financial statements
for the year ended 31 March 2025

Contents *Page(s)*

PDS Manufacturing Limited

Corporate data

		Date of appointment
Directors:	Mr. SETH Deepak Kumar	22 March 2021
	Mr. SETH Pallak	22 March 2021
	Mr. KUREEMUN Sheik Mohamad Ally Shameem	22 March 2021
	Mr. SHAH Sharmil Dhanraj	22 March 2021
	Mr. KANOI Abhishekh	09 March 2022

Company secretary:
Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No. 5, President John Kennedy Street
Port Louis
Republic of Mauritius

Registered office:
C/o Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No. 5, President John Kennedy Street
Port Louis
Republic of Mauritius

Auditor:
Lancasters
Chartered Accountants
14 Lancaster Court
Lavoquer Street
Port Louis
Republic of Mauritius

Banker:
HSBC Bank (Mauritius) Limited
Icon Ebène, Level 5,
Office 1 (West Wing),
Rue de l'Institut
Ebène
Republic of Mauritius

PDS Manufacturing Limited

Directors' report

The directors are pleased to present their report together with the audited financial statements of PDS Manufacturing Limited (the "Company") for the year ended 31 March 2025.

Principal activity

The Company is mainly involved in Investment Holdings activities in the manufacturing and textile industry.

Results and dividend

The results for the year are shown on page 7.

The directors do not recommend the payment of a dividend for the year under review (2024: nil).

Statement of directors' responsibilities in respect of financial statements

Company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Auditors

Lancasters Chartered Accountants have been appointed as auditors and a resolution concerning their re-appointment will be proposed at the next annual meeting of the shareholder.

By order of the Board

Director Date: 14/05/2025

Rogers Capital

PDS Manufacturing Limited

Secretary's certificate
for the year ended 31 March 2025

Secretary's certificate under Section 166 (d) of the Mauritius Companies Act

In accordance with section 166 (d) of the Mauritius Companies Act, we certify to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies, all such returns as required of the Company for the year ended 31 March 2025.

Adamessar

For and on behalf of **Rogers Capital Corporate Services Limited**
Company secretary

Date: 14/05/2025

Auditor's report to member of PDS Manufacturing Limited

Opinion

We have audited the financial statements of **PDS Manufacturing Limited** (the "Company") set out on pages 7 to 29 which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001, but does not include the financial statements nor our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's report to member of PDS Manufacturing Limited (continued)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 scepticism 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Lancasters
Chartered Accountants

Auditor's report to member of PDS Manufacturing Limited (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the director'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 the directors 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.

Other matter

This report is made solely for the Company's member, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Lancasters

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius.
Date : 14.05.2025

Pasram Bissessur FCCA, ACA, MBA (UK)
Licensed by FRC

DGG
INDEPENDENT MEMBER

PDS Manufacturing Limited

Statement of profit or loss and other comprehensive income
for the year ended 31 March 2025

	Note	2025 USD	2024 USD
Income			
Consultancy income		**51,000**	-
Interest income		**29,563**	45,694
Total revenue		**80,563**	45,694
Expenses			
Consultancy fees		**57,041**	
Professional fees		**9,030**	9,360
Audit and accounting fees		**4,450**	4,350
Administration fees		**2,600**	2,600
License fees		**2,270**	2,270
Bank charges		**975**	895
Compliance fees		**600**	600
Disbursements		**100**	205
Total expenses		**77,066**	20,280
Profit / (loss) from operating activities		**3,497**	(20,280)
Payable waived-off		**38,096**	-
Loss on disposal of investment		**(15,300)**	-
Profit before taxation		**26,293**	25,414
Income tax expense	7	**(267)**	-
Profit for the year		**26,026**	25,414
Other comprehensive income			-
Total comprehensive income for the year		**26,026**	25,414

The notes on pages 11 to 29 form part of these financial statements.

PDS Manufacturing Limited

Statement of financial position
as at 31 March 2025

	Note	2025 USD	2024 USD
ASSETS			
Non-current assets			
Investment in subsidiaries	**8**	**54,844,700**	29,860,000
Deposit on shares		**2,500,000**	-
Total non-current assets		**57,344,700**	29,860,000
Current assets			
Other receivables	**9**	**126,984**	46,421
Cash and cash equivalents		**2,851**	16,171
Total current assets		**129,835**	62,592
Total assets		**57,474,535**	29,922,592
EQUITY AND LIABILITIES			
Equity			
Stated capital	**10**	**57,187,100**	29,312,100
Accumulated losses		**18,092**	(7,934)
Total equity		**57,205,192**	29,304,166
Liabilities			
Current liabilities			
Other payables	**11**	**269,076**	618,426
Tax payable	**7**	**267**	-
Total liabilities		**269,343**	618,426
TOTAL equity and liabilities		**57,474,535**	29,922,592

The financial statements have been approved by the Board of Directors on ....14/05/2025..
and signed on its behalf by:

....
Director

....
Director

The notes on pages 11 to 29 form part of these financial statements.

PDS Manufacturing Limited

Statement of changes in equity
for the year ended 31 March 2025

	Stated Capital				
	Ordinary shares USD	Preference share capital USD	Share application monies USD	Accumulated losses USD	Total equity USD
Balance at 01 April 2023	100	18,100,000	9,100,000	(33,348)	27,166,752
Transactions with owner of the Company					
Issue of shares	-	11,212,000	(9,100,000)	-	2,112,000
Total comprehensive income for the year					
Profit for the year	-	-	-	25,414	25,414
Other comprehensive income	-	-	-	-	-
Balance at 31 March 2024	100	29,312,000	-	(7,934)	29,304,166
Transactions with owner of the Company					
Issue of shares	-	27,875,000	-	-	27,875,000
Total comprehensive income for the year					
Profit for the year	-	-	-	26,026	26,026
Other comprehensive income	-	-	-	-	-
Balance at 31 March 2025	**100**	**57,187,000**	**-**	**18,092**	**57,205,192**

The notes on pages 11 to 29 form part of these financial statements.

PDS Manufacturing Limited

Statement of cash flows
for the year ended 31 March 2025

	2025 USD	2024 USD
Cash flow from operating activities		
Profit before taxation	**26,293**	25,414
Loss on disposal of investment	**15,300**	-
	41,593	25,414
Changes in working capital:		
Change in trade and other receivables	**(80,563)**	(45,694)
Change in other payables	**(349,350)**	424,046
Net cash (used in) / from operating activities	**(388,320)**	403,766
Cash flows from investing activities		
Deposit on shares	**(2,500,000)**	-
Acquisition of investments	**(25,000,000)**	(2,500,000)
Net cash used in investing activities	**(27,500,000)**	(2,500,000)
Cash flows from financing activities		
Proceeds from issue of shares	**27,875,000**	2,112,000
Net cash from financing activities	**27,875,000**	2,112,000
Net movement in cash and cash equivalents	**(13,320)**	15,766
Cash and cash equivalents at 01 April	**16,171**	405
Cash and cash equivalents at 31 March	**2,851**	16,171

The notes on pages 11 to 29 form part of these financial statements.

1. General information

The Company was incorporated as a private limited company on 22 March 2021 and was granted a Global Business Licence on 22 March 2021. The Company's registered office is at C/o Rogers Capital Corporate Services Limited, 3rd floor, Rogers House, No. 5 President John Kennedy Street, Port Louis, Republic of Mauritius.

The Company is mainly involved in Investment Holdings activities in the manufacturing and textile industry.

The Company is a holder of a Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has chosen to use USD as its reporting currency.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Mauritius Companies Act. The Company is a sub subsidiary of PDS Limited and has taken advantage of paragraph 4 of International Financial Reporting Standards (IFRS 10) - 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as its ultimate holding company is preparing consolidated financial statements as per IFRS as issued by the IASB. The registered PDS Limited where the consolidated financial statements are available is Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.

(b) Basis of measurement

These financial statements have been prepared under the going concern basis using the historical cost convention, except for financial instruments which are carried at amortised cost.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company's functional currency and presentation currency.

(d) Use of estimates and judgement

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

2. **Basis of preparation (continued)**

(d) Use of estimates and judgement (continued)

Assumption and estimation uncertainties

Information about assumptions, estimation uncertainties and critical judgements in applying accounting policies that have the most significant risk of resulting in a material adjustment in these financial statements are included in the relevant notes as follows:

- Recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts; and
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Going Concern

Management has made an assessment in respect of the entity's going concern and is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3. Application of new and revised International Financial Reporting Standards (IFRSs)

(a) New standards, interpretations and amendments adopted during the year

There have been amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Classification of liabilities as current or non-current and on-current liabilities with covenants (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional was removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. The amendments confirm that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The amendments also clarify how an entity classifies a liability that can be settled in its own shares. When a liability includes a counterparty conversion option that involves a transfer of the company's own equity instruments, the conversion option is recognised as either equity or a liability separately from the host liability under IAS 32 Financial Instruments: Presentation. The amendments now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted. It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

(b) New standards, interpretations and amendments issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 31 March 2025 and have not been applied in preparing these separate financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

PDS Manufacturing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

3. **Application of new and revised International Financial Reporting Standards (IFRSs) (continued)**

(b) New standards, interpretations and amendments issued but not yet effective (continued)

Classification and measurement requirements for financial instruments (Amendments to IFRS 7 and IFRS 9)

Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 7, IFRS 9 and IAS 7)

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

IFRS 9 amendments

The IASB's amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured.

Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price.

The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.

The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. However, the amendment does not address how to distinguish between derecognition and modification of a lease liability. The IASB has indicated that it may consider this issue as part of a future project.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

IAS 7 amendments

The IASB amendments replace the term 'cost method' with 'at cost'. The IASB had removed the definition of 'cost method' from IFRS Accounting Standards in May 2008 however, at that time, the IASB had not amended certain paragraphs of IAS 7.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

3. **Application of new and revised International Financial Reporting Standards (IFRSs) (continued)**

(b) New standards, interpretations and amendments issued but not yet effective (continued)

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories being, operating, investing, and financing activities, based on a company's main business activities. However, the company's net profit will not change.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g., cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 also requires the disclosure of Management Performance Indicators ("MPMs") which are subject to audit. They are designed to capture some but not all 'non-GAAP' measures. The standard requires MPMs to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciled to an amount determined under IFRS Accounting Standards. Furthermore, a company must state that it provides management's view of financial performance and is not necessarily comparable to those of other companies. Any changes or new MPMs must also be explained.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

4. **Critical accounting estimates and judgements**

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

4. Critical accounting estimates and judgements (continued)

Impairment of investment in subsidiaries

The carrying values of investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that the investments may be impaired. This determination requires significant judgement. In estimating the recoverable amount of the investment, the Company evaluates, amongst other factors, the future profitability of the subsidiary, its financial health and near-term business outlook, including factors such as industry and sector performance, changes in technology, and operational and financing cash flows.

5. Material accounting policies

The accounting policies set out below have been applied in the preparation of these financial statements.

(a) *Foreign currency transactions*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(b) *Revenue recognition*

Revenues of the company will be in terms of dividends and interest received from its subsidiaries.

(c) *Finance income and finance costs*

The Company's net finance income includes interest income and foreign exchange differences.

(d) *Stated capital*

Ordinary shares

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

5. **Material accounting policies (continued)**

(e) Investments in subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiary is shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

(f) Expenses

All expenses are recognised in profit or loss on an accrual basis.

(g) Taxation

Taxation comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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 realised; such reductions are reversed when the probability of future taxable profits improves.

5. **Material accounting policies (continued)**

(g) Taxation (continued)

(ii) Deferred tax (continued)

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) Financial instruments

(i) Recognition and initial measurement

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

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVTOCI) – debt investment; FVTOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

5. **Material accounting policies (continued)**

(i) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

Financial assets (continued)

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered as sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

5. **Material accounting policies (continued)**

(i) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

Financial assets (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses:

Financial assets at amortised cost

These assets are subsequently measured at Amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gain or losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

5. **Material accounting policies (continued)**

(i) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

The Company derecognises a financial liability when its contractual obligation is discharged or cancelled, or expires. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iii) Impairment of assets

Impairment

The Company recognises loss allowance for Expected Credit Loss ("ECL") on:

- Financial assets measured at amortised cost;

The Company measured loss allowance at an amount equal to lifetime ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

5. **Material accounting policies (continued)**

   (i) Financial instruments (continued)

   (iii) Impairment of assets (continued)

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity of accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

6. **Financial instruments – Fair values and risk management**

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Trade and other receivables exclude prepayments amounting to **USD 727** (2024: USD 727).

		Carrying amount	
31 March 2025	**Financial assets USD**	**Other financial liabilities USD**	**Total USD**
Financial assets not measured at fair value			
Interest receivables	**75,257**	-	**75,257**
Consultancy fee receivable	**51,727**	-	**51,727**
Cash and cash equivalents	**2,851**	-	**2,851**
	129,835	-	**129,835**
Financial liabilities not measured at fair value			
Advances from holding company	-	**253,921**	**253,921**
Other payables	-	**15,155**	**15,155**
	-	**269,076**	**269,076**

		Carrying amount	
31 March 2024	Financial assets USD	Other financial liabilities USD	Total USD
Financial assets not measured at fair value			
Interest receivables	45,694	-	45,694
Cash and cash equivalents	16,171	-	16,171
	61,865	-	61,865
Financial liabilities not measured at fair value			
Advances from holding company	-	609,976	609,976
Other payables	-	8,450	8,450
	-	618,426	618,426

PDS Manufacturing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

6. **Financial instruments – Fair values and risk management (continued)**

(b) Financial risk management

Introduction and preview

Financial instruments carried in the statement of financial position include, other receivables, cash and cash equivalents, and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risks are market risk, liquidity risk and credit risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly review their risk management policies and systems to reflect changes in markets and emerging best practice.

Overview

The Company has exposure to the following risk arising from financial instruments:

- Market risk
- Liquidity risk
- Credit risk

- *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's performance or financial position. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not subject to currency risk as its financial assets and liabilities are denominated in its functional currency, the USD.

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company is not subject to interest rate risk as its financial assets and liabilities are non-interest earning/ bearing.

(iii) Price risk

Price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at reporting date.

6. **Financial instruments – Fair values and risk management (continued)**

(b) Financial risk management (continued)

- *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity under both normal and stressed condition to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the Company's contractual maturities of financial liabilities:

31 March 2025

	Due on demand USD	**Due for less than 1 year USD**	**Due for more than 1 year USD**	**Total USD**
Financial liabilities				
Advances from holding company	**253,921**	-	-	**253,921**
Other payables	-	**15,155**	-	**15,155**
Total financial liabilities	**253,921**	**15,155**	-	**269,076**

31 March 2024

	Due on demand USD	Due for less than 1 year USD	Due for more than 1 year USD	Total USD
Financial liabilities				
Advances from holding company	609,976	-	-	609,976
Other payables	-	8,450	-	8,450
Total financial liabilities	609,976	8,450	-	618,426

- *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 contractual obligations and arises from cash and cash equivalents.

The Company also limits its exposure to credit risk by dealing only with counterparties that has a good credit rating and management does not expect counter party to fail to meet its obligations. The Company has no exposure to credit risk at reporting date.

7. Income tax expense

Income tax

The Company was issued with a Global Business Licence ("GBL") on 11 June 2019 and is subject to income tax in Mauritius on its net income at 15%.

The Company may apply a partial exemption on its foreign dividend income, interest income and profits from foreign permanent establishments: the partial exemption is computed at 80% of the relevant foreign sourced income. The partial exemption is not mandatory: The Company may apply the credit system if it so wishes.

Capital gains are exempt from tax in Mauritius.

The Company is a Global Business Licence company for the purpose of the Financial Services Act 2007. Gains or profits derived from the sale of units or of securities by a company holding a Global Business Licence are exempt in Mauritius.

Deferred tax

A deferred tax asset amounting to **USD Nil** (2024: USD 231) has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised. Tax losses can be carried forward up to a maximum of five years. No Company's tax losses (2024: USD 1,539) available for set-off against future taxable income.

Recognised in the statement of profit or loss and other comprehensive income

Current tax expense

	2025 **USD**	2024 USD
Tax charge for the year	**267**	-
Reconciliation of effective tax		
Profit before taxation	**26,293**	25,414
Income tax at 15%	**3,944**	3,812
Unauthorised deductions	**5,816**	509
Exempt income	**(3,548)**	-
Non-taxable income	**(5,714)**	-
Utilised tax losses	**(231)**	(4,321)
Income tax payable	**267**	-

8. Investments in subsidiaries

Investments consist of unquoted shares in subsidiaries.

	2025 USD	2024 USD
Cost		
At 01 April	**29,860,000**	27,360,000
Additions during the year	**25,000,000**	2,500,000
Disposal of investments	**(15,300)**	-
At 31 March	**54,844,700**	29,860,000

Name of company	*Type of shares*	*2025 Number of shares*	*2024 Number of shares*	*2025 % held*	*2024 % held*	*Country of incorporation*
Subsidiaries						
Progress Manufacturing Group Limited	Class A ordinary shares	10,000	10,000	**87%**	100%	Hong Kong
Progress Manufacturing Group Limited	Class B ordinary shares	97	97	**97%**	97%	Hong Kong
Progress Manufacturing Group Limited	CRPS	30,000,000	20,000,000	**100%**	100%	Hong Kong
Green Apparel Industries Limited	Class A ordinary shares	200,000	200,000	**93%**	100%	Hong Kong
Green Apparel Industries Limited	Class B ordinary shares	97	97	**97%**	97%	Hong Kong
Green Apparel Industries Limited	CRPS	22,200,000	22,200,000	**100%**	100%	Hong Kong

9. Other receivables

	2025 USD	2024 USD
Interest receivables	**75,257**	45,694
Consultancy fee receivable	**51,000**	-
Prepayments	**727**	727
	126,984	46,421

PDS Manufacturing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

10. Stated capital

	2025 USD	2024 USD
Stated capital		
100 ordinary shares of USD 1 each	**100**	100
57,187,000 (2024: 29,312,000) Cumulative redeemable preference shares of USD 1 each	**57,187,000**	29,312,000
	57,187,100	29,312,100

11. Other payables

	2025 USD	2024 USD
Advances from holding company	**253,921**	609,976
Accrued expenses	**15,155**	8,450
	269,076	618,426

12. Related party disclosures

During the period under review, the Company entered into the following related party transactions.

			2025 USD	2024 USD
Transaction during the period:	*Nature of relationship*	*Nature of transaction*		
Multinational Textile Group Limited	Holding Company	Advance payable	-	(10,000)
GoodEarth Lifestyle Limited	Subsidiary	Interest receivable	**8,522**	10,687
GoodEarth Lifestyle Limited	Subsidiary	Consultancy income	**51,000**	-
GoodEarth Lifestyle Limited	Subsidiary	Deposit on shares	**2,500,000**	-
Progress Manufacturing Group Limited	Subsidiary	Interest receivable	**21,041**	35,007
PDS Limited	Ultimate Holding Company	Consultancy fees	**(57,041)**	-
Balance outstanding at 31 March:				
Multinational Textile Group Limited	Holding Company	Amount payable	**(196,880)**	(196,880)
GoodEarth Lifestyle Limited	Subsidiary	Amount receivable	**2,570,209**	10,687
Progress Manufacturing Group Limited	Subsidiary	Amount receivable	**56,048**	35,007
PDS Limited	Ultimate Holding Company	Amount payable	**(57,041)**	-

13. Holding and ultimate holding company

The Company is a wholly owned subsidiary of Multinational Textile Group Limited, a Company incorporated in the Republic of Mauritius. The ultimate holding Company is PDS Limited, a company incorporated in India with its shares listed on The National Stock Exchange of India Limited and Bombay Stock Exchange.

14. Events after the reporting date

There has been no significant event after the reporting date which in the opinion of the board of directors requires disclosure in the financial statements.

PDS MULTINATIONAL FZCO

Audited Financial Statements

For the year ended March 31, 2025

Table of Contents

PDS MULTINATIONAL FZCO
Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	Multinational Textile Group Limited
License No		4617

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Investment in Commercial Enterprises & Management

Business Address	:	Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	Emirates NBD HSBC Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Investment in Commercial Enterprises & Management

Financial review:

The table below summarizes the results of 2024-25 and 2023-24

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**01.04.2023 to 31.03.2024**
Revenue	3,553,923	2,429,744
Net profit/(Loss) for the period	3,496,329	39,258,349

Role of the Manager:
The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:
In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS MULTINATIONAL FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO
Dubai - U.A.E.

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholder,
PDS MULTINATIONAL FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **PDS MULTINATIONAL FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 13th May, 2025

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 01.04.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments	4	8,275,527	606,169
Investment in Subsidiaries	7	53,309,249	44,038,575
Right of Use Assets	8	1,917,199	139,863
Total Non-Current Assets	(A)	63,501,974	44,784,607
Current Assets			
Advances, deposits and other receivables	9	8,172,773	927,749
Cash and Cash Equivalents	10	4,046,796	1,788,958
Due from related parties	15	33,912,629	28,432,847
Total Current Assets	(B)	46,132,198	31,149,554
Total Assets	(A+B)	109,634,172	75,934,161
Equity			
Share Capital	11	42,305,000	42,305,000
Retained Earnings	12	33,526,209	30,029,880
Total Equity	(C)	75,831,209	72,334,880
Non Current Liabilities	(D)	-	-
Current liabilities			
Trade and Other Payables	13	9,400,895	678,286
Lease Liabilities	14	1,761,596	1,148
Due to related parties	15	22,640,472	2,919,847
Total Current Liabilities	(E)	33,802,963	3,599,281
Total Liabilities	(F)=(D+E)	33,802,963	3,599,281
Total Equity and Liabilities	(C+F)	109,634,172	75,934,161

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DUBAI - U.A.E.

عليـاء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO
Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
			(figures in AED)
Revenue	16	**3,553,923**	2,429,744
Cost of revenue		-	-
Gross profit		**3,553,923**	**2,429,744**
JV Profit/ (Loss) for the year		**15,678**	426,529
Other Income	17	**4,362,371**	-
Dividend Income	18	**24,939,129**	43,998,273
General and administrative expenses	19	**(9,048,207)**	(7,138,520)
Finance Cost	20	**(144,026)**	(24,129)
Depreciation	4,8	**(731,539)**	(433,548)
Profit/ (Loss) for the period before dividend		**22,947,329**	**39,258,349**
Dividend Distributed		**(19,451,000)**	**(9,909,000)**
Profit/ (Loss) for the period		**3,496,329**	**29,349,349**
Attributable to:			
- Shareholder of the Company		**3,496,329**	29,349,349
- Non-controlling interest		-	-
		3,496,329	**29,349,349**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**3,496,329**	**29,349,349**
Attributable to:			
- Shareholder of the Company		**3,496,329**	29,349,349
- Non-controlling interest		-	-
		3,496,329	**29,349,349**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Rahul Khetty

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

عالية للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity - for the year ended March 31, 2025

Equity and retained earnings	Share Capital	Retained Earnings	Shareholders Current Account	Total
Balance as at March 31, 2023	42,305,000	680,531	-	**42,985,531**
Profit/(Loss) for the Period	-	29,349,349	-	**29,349,349**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**42,305,000**	**30,029,880**	-	**72,334,880**
Profit/(Loss) for the Period	-	3,496,329	-	**3,496,329**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2025	**42,305,000**	**33,526,209**	-	**75,831,209**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

علياء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Cash Flow Statement for the year ended March 31, 2025

	01.04.2024 to 31.03.2025	(figures in AED) 01.04.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	3,496,329	29,349,349
Adjustments:		
Depreciation	731,539	433,548
Financial Charges	144,026	24,129
Net cash from operating activities	4,371,894	29,807,026
Changes in working capital		
(Increase)/ Decrease in Other current assets	(7,245,024)	(734,041)
Amount due from Related Parties	(5,479,782)	(20,105,150)
Increase/(Decrease) in Trade and other payables	8,722,609	574
Increase/(Decrease) in Lease Liabilities	1,760,448	(187,245)
Amount due to Related Parties	19,720,625	(5,714,354)
Net cash generated from operating activities	21,850,770	3,066,810
Cash Flow from investing activities		
Purchase of fixed assets	(8,155,437)	(264,151)
Investment in Subsidiary	(9,270,674)	(1,816,517)
Right to Use Assets	(2,022,795)	-
Net cash used in investing activities	(19,448,906)	(2,080,668)
Cash Flows from financing activities		
Share Capital Introduced	-	-
Finance Charges	(144,026)	(24,129)
Shareholder Current Account	-	-
Net cash generated in financing activities	(144,026)	(24,129)
Net increase in cash and cash equivalents	2,257,838	962,014
Cash and cash equivalents beginning of period	1,788,958	826,944
Cash and cash equivalents end of period	4,046,796	1,788,958
Represented by:		
Cash Balance	-	-
Bank Balance	4,046,796	1,788,958
	4,046,796	1,788,958

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

علياء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

4 Property, Plant and Equipment

	Leasehold Building	Office Equipment	Furniture & Fixture	Software	Intangible Assets	Total
Cost :						
As at March 31, 2023	-	24,721	4,485	589,549	-	618,755
Additions during the period	247,200	16,951	-	-	-	264,151
Less: Sale of Asset	-	-	-	-	-	-
As at March 31, 2024	**247,200**	**41,672**	**4,485**	**589,549**	-	**882,906**
Additions during the period	95,599	-	-	3,716,169	4,343,669	8,155,437
As at March 31, 2025	**342,799**	**41,672**	**4,485**	**4,305,718**	**4,343,669**	**9,038,343**
As at March 31, 2023	-	10,984	3,579	15,117	-	29,680
Depreciation during the period	56,059	9,125	473	181,400	-	247,057
As at March 31, 2024	**56,059**	**20,109**	**4,052**	**196,517**	-	**276,737**
Depreciation during the period	84,918	10,818	433	278,534	111,376	486,079
As at March 31, 2025	**140,977**	**30,927**	**4,485**	**475,051**	**111,376**	**762,816**
Net Book Value						
As at March 31, 2025	**201,822**	**10,745**	**0**	**3,830,667**	**4,232,293**	**8,275,527**
As at March 31, 2024	**191,141**	**21,563**	**433**	**393,032**	-	**606,169**

FOR PDS MULTINATIONAL FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

DAFZA Dubai - U.A.E
PDS MULTINATIONAL FZCO

عليـاء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

1 **LEGAL STATUS :**

PDS Multinational FZCO is incorporated on **February 01, 2021 under License No.- 4617 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates.

The company is managed and controlled by following persons:

1.Mr.Deepak Kumar Seth
2.Mr. Rahul Khettry

2 **BUSINESS ACTIVITIES :**

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Investment in Commercial Enterprises & Management

3 **Basis of Preparation**

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow. These financial statements are prepared on the assumption of going concern basis.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 **Significant Accounting Judgments, Estimates And Assumptions**

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

عليا للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:-

Computer Equipment	3 Years
Office Furniture & Fixture	3 Years
Software	3 Years
Intangible Assets	3 Years
Leasehold Building	3 Years

عليا للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

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

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments –	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

عليا للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

عليا للمحاسبة القانونية ★ DUBAI - U.A.E. ★ ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

عليا للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or
has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

عليا للمحاسبة القانونية * DUBAI - U.A.E. * ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

		(figures in AED)
	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
7 Investment in Subsidiaries		
Transport Partner Ltd	-	68,638
PG Capital FZE	41,503,358	41,503,358
Twins Asia FZCO	85,000	85,000
Design Arc FZCO	85,000	85,000
Poeticgem International FZCO	75,000	75,000
Clover Collections FZCO	75,000	75,000
Yellow Octupus	1,044,712	1,029,036
Kleider Sourcing FZCO	51,000	51,000
Collaborative Sourcing Services FZCO	75,000	75,000
PDS Brands Manufacturing FZCO	100,000	100,000
PDS Sourcing FZCO	100,000	100,000
PDS Logistics FZCO	51,000	51,000
PDS Global Procurment FZCO	100,000	100,000
Design Hub Sourcing FZCO	220,200	60,000
PDS Design Services FZCO	100,000	100,000
PDs Lifestyle FZCO	100,000	100,000
DH Sourcing Bangladesh	20,543	20,543
The Source Fashions FZCO	70,000	85,000
Infinty Fashions FZCO	100,000	100,000
Collective Near East Sourcing FZCO	100,000	100,000
PDS Radius Brands FZCO	75,000	75,000
ONME SOHO HEALTH AND BEAUTY FZCO	85,000	-
Spring Near East FZCO	8,958,436	-
Simple Approach Trading FZCO	75,000	-
Tritron Fashion FZCO	60,000	-
	53,309,249	**44,038,575**

8 Right of Use Assets		
Balance at the beginning of the Period	139,863	326,355
Addition during the year	2,022,795	-
Depreciation during the year	(245,460)	(186,492)
Balance at the end of the Period	**1,917,199**	**139,863**

علياء للمحاسبة القانونية ★ DUBAI - U.A.E. ★ ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

9 Advances, deposits and Trade receivables

DAFZA Portal Balance	1,954	23
Prepaid Expenses	23,851	23,851
Other Receivables	1,856,375	833,569
VAT Receivable	173,228	70,306
Security Deposits	1,222,264	-
Trade Receivables	4,481,279	-
Other Advances	413,822	-
	8,172,773	**927,749**

10 Cash And Cash Equivalents

	01.04.2024 to 31.03.2025	**01.04.2023 to 31.03.2024**
Cash balance	-	-
Bank balance	4,046,796	1,788,958
	4,046,796	**1,788,958**

11 Share Capital

Authorized, issued and paid up capital of the Company is AED 42,305,000/- divided into 42305 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
Multinational Textile Group Limited	Registered in Mauritius	100%	42305	42,305,000

12 Retained Earnings

Balance at the beginning of the Period	30,029,880	680,531
Profit/(Loss) for the Period	3,496,329	29,349,349
Balance at the end of the Period	**33,526,209**	**30,029,880**

13 Trade & Other Payables

Other Payables	8,819,511	440,355
Leave Encashment Payable	117,581	48,784
Gratuity Payable	134,288	69,505
ESOP Payable	329,515	119,642
	9,400,895	**678,286**

14 Lease Liability

Balance at the beginning of the Period	1,148	188,393
Additions	2,022,795	-
Finance Cost	4,537	9,147
Payments	(266,884)	(196,392)
Balance at the end of the Period	**1,761,596**	**1,148**

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

15 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Transactions with related party included in the Financial statements are as follows:

Amount due from related parties	**As on 31.03.2025**	**As on 31.03.2024**
Resource Fashions	-	32,210
PDS Limited	-	1,001,430
Multinational Textile Group Limited (MTGL)	-	14,635,260
Skope Apparels FZCO	1,169,330	330
PDS Sourcing FZCO	858,932	380,860
Twins Asia FZCO	441,692	642,252
Collaborative Sourcing Services FZCO	2,308,580	920,712
PDS Global	2,545,298	1,192,750
Infinity Fashion FZCO	2,705,921	2,077,519
New Lobster Ltd	1,715,723	1,376,581
PDS Radius Brands	2,206,100	1,077,963
Design Hub Sourcing FZCO	2,640,069	2,100,001
PG Capital FZE	2,966,671	2,966,671
PDS Logistics FZCO	68,308	28,308
Spring Near East FZCO	9,562,278	-
PDS Brands Manufacturing FZCO	3,817,893	-
PDS Lifestyle	649,076	-
The Source Fashion FZCO	33,370	-
Design Arc FZCO	124,177	-
PDS Desiogn Service	2,020	-
Sourcing Solution Limited	69,363	-
Krayon Sourcing Limited	27,828	-
	33,912,629	**28,432,847**

Amount due to related parties		
PDS Limited	-	631,134
PDS Brands Manufacturing FZCO	-	90,725
Spring Near East FZCO	-	825,470
Poeticgem International FZCO	3,450,146	1,221,780
Kleider Sourcing FZCO	158,576	150,738
Multinational Textile Group Limited	7,669,115	-
Clover Collections FZCO	8,456,384	-
Norwest Industries Limited	2,543,610	-
Spring Near East Manufacturing Co. Ltd.	251,299	-
PDS Fashions Ltd	111,342	-
	22,640,472	**2,919,847**

علياء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

16 **Revenue**	3,553,923	2,429,744
Revenue	**3,553,923**	**2,429,744**

17 **Other Income**	4,362,371	-
Commission	**4,362,371**	**-**

	01.04.2024 to 31.03.2025	**01.04.2023 to 31.03.2024**
18 **Dividend Income**		
Dividend on Non Trade Investment	24,939,129	43,998,273
	24,939,129	**43,998,273**

19 **General & Administrative Expenses**	9,175	-
Office Expenses	1,981,800	1,862,525
Director Remuneration	25,060	27,096
License Fee	727,416	899,053
Legal and professional expenses	163,466	147,433
Other expenses	32,347	51,844
Visa Expenses	209,873	54,540
ESOP Expenses	5,386,787	2,271,876
Salary and Other benefit expenses	67,310	48,826
Gratuity Expenses	77,353	29,810
Leave Encashment Expenses	200,555	173,991
Medical & Insurance	167,065	111,061
Travelling Expenses	-	1,460,465
Seminar & Conference Expenses	**9,048,207**	**7,138,520**

20 **Finance Cost**	144,026	24,129
Bank Charges & Interest	**144,026**	**24,129**

21 RISK MANAGEMENT

21.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

عالياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

21.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

21.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

22 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025. Previous year covers the period of 12 months from March 01, 2023 to March 31, 2024. Previous year figures might be reclassified & regrouped to conform to the current year presentation.

23 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 13, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

ALIA CHARTERED ACCOUNTANCY DUBAI - U.A.E.

PDS Radius Brands FZCO

Audited Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents | **Page**

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO Mr. Damian Andrew Hopkins
License No		05755

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms Trading
(b) Clothing accessories Trading

Business Address	:	Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	HSBC BANK
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the period ended March 31, 2025.

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

Financial review:

The table below summarizes the results of 2023-24 and 2024-25

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**03.07.2023 to 31.03.2024**
Revenue	2,630,530	1,134,514
Net profit/(Loss) for the period	(2,332,453)	(1,084,472)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS RADIUS BRANDS FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO DUBAI U.A.E

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Radius Brands FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **PDS Radius Brands FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

عليـاء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 12th May, 2025

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

(figures in AED)

	NOTE	01.04.2024 to 31.03.2025	03.07.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Investment	7	91,750	1,576,952
Total Non-Current Assets	**(A)**	**91,750**	**1,576,952**
Current Assets			
Advances, deposits and other receivables	8	1,373,521	419,730
Cash and Cash Equivalents	9	251,555	126,892
Due From Group Company	13	1,212,823	-
Total Current Assets	**(B)**	**2,837,899**	**546,622**
Total Assets	**(A+B)**	**2,929,649**	**2,123,574**
Equity			
Share Capital	10	100,000	100,000
Retained Earnings	11	(3,416,925)	(1,084,472)
Shareholder Current Account		-	-
Total Equity	**(C)**	**(3,316,925)**	**(984,472)**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Trade Payables	12	216,512	95,567
Due to Related Party	13	6,030,062	3,012,479
Total Current Liabilities	**(E)**	**6,246,574**	**3,108,046**
Total Liabilities	**(F)=(D+E)**	**6,246,574**	**3,108,046**
Total Equity and Liabilities	**(C+F)**	**2,929,649**	**2,123,574**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS RADIUS BRANDS FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO DUBAI U.A.E

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 03.07.2023 to 31.03.2024
Revenue	14	2,630,530	1,134,514
Cost of revenue	16	(733,480)	-
Gross profit		**1,897,050**	**1,134,514**
Other Income	15	(1,576,479)	-
General and administrative expenses	17	(2,635,885)	(2,216,067)
Finance Cost		(17,139)	(2,919)
Profit/ (Loss) for the period		**(2,332,453)**	**(1,084,472)**
Attributable to:			
- Shareholder of the Company		(2,332,453)	(1,084,472)
- Non-controlling interest		-	-
		(2,332,453)	**(1,084,472)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**(2,332,453)**	**(1,084,472)**
Attributable to:			
- Shareholder of the Company		(2,332,453)	(1,084,472)
- Non-controlling interest			-
		(2,332,453)	**(1,084,472)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS RADIUS BRANDS FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO DUBAI - U.A.E

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab

Statement of changes in equity - for the year ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced July 03, 2023	100,000	-	-	100,000
Profit/(Loss) for the Period	-	(1,084,472)	-	(1,084,472)
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	100,000	(1,084,472)	-	(984,472)
Profit/(Loss) for the Period		(2,332,453)		(2,332,453)
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2025	100,000	(3,416,925)	-	(3,316,925)

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS RADIUS BRANDS FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO
DUBAI - U.A.E

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab

Cash Flow Statement for the year ended March 31, 2025

	01.04.2024 to 31.03.2025	(figures in AED) 03.07.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	(2,332,453)	(1,084,472)
Adjustments:		
Depreciation	-	-
Financial Charges	-	-
Net cash from operating activities	**(2,332,453)**	**(1,084,472)**
Changes in working capital		
(Increase)/DecreaseOther current assets	(953,791)	(419,730)
Increase/(Decrease) in Trade payables	120,946	3,108,046
Amount due to related party	3,017,583	-
Amount due from related party	(1,212,823)	-
Net cash used in operating activities	**(1,360,539)**	**1,603,844**
Cash Flow from investing activities		
Investment in Company	(91,750)	(1,576,952)
Dispose of Investment	1,576,952	
Net cash used in investing activities	**1,485,202**	**(1,576,952)**
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	-	-
Shareholder Current Account	-	-
Net cash generated in financing activities	-	**100,000**
Net increase in cash and cash equivalents	124,663	126,892
Cash and cash equivalents beginning of period	126,892	-
Cash and cash equivalents end of period	**251,555**	**126,892**
Represented by:		
Cash Balance	-	-
Bank Balance	251,555	126,892
	251,555	**126,892**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS RADIUS BRANDS FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO DUBAI - U.A.E

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 **LEGAL STATUS :**

PDS RADIUS BRANDS FZCO is incorporated on **July 03, 2023 under License No.- LEGAL STATUS 05755 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 2 W M060, Mezzanine, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2 **BUSINESS ACTIVITIES :**

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

3 **Basis of Preparation**

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a net loss of AED 2,332,453 and as on March 31, 2025 accumulated loss of AED 3,416,925 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 **Significant Accounting Judgments, Estimates And Assumptions**

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

PDS RADIUS BRANDS FZCO
Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates
Notes to the financial statements - for the period ended March 31, 2025

ii) Lease liabilities
At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	(figures in AED) 03.07.2023 to 31.03.2024
7 Investmemt		
Investment in Subsidiary	91,750	1,576,952
	91,750	**1,576,952**
8 Advances, deposits and Trade receivables		
Dafza Portal	298	-
Trade Receivables	832,521	30,571
Other Receivables	487,545	389,159
Prepaid Expenses	53,157	-
	1,373,521	**419,730**
9 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	251,555	126,892
	251,555	**126,892**

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

10 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	75%	75	75,000
Mr. Damian Andrew Hopkins	United Kingdom	25%	25	25,000

	01.04.2024 to 31.03.2025	03.07.2023 to 31.03.2024
11 Retained Earnings		
Balance at the beginning of the Period	(1,084,472)	-
Profit/(Loss) for the Period	(2,332,453)	(1,084,472)
Balance at the end of the Period	**(3,416,925)**	**(1,084,472)**
12 Trade & Other Payables		
Other Payable	4,777	-
Provision for expense	211,735	95,567
	216,512	**95,567**

13 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Due from Related Party	**31.03.2025**	**31.03.2024**
Adaptive Fashions Ltd.	270,722	-
Roksanda UK Ltd.	154,001	-
Vivere London Ltd.	788,100	-
	1,212,823	**-**

Due to Related Party		
Multinational Textile Group Limited	46,088	606
PDS Fashions Limited	3,686,545	1,519,093
PDS Multinational FZCO	2,206,101	1,492,780
PDS Limited	51	-
The Brand Group Ltd.	91,277	-
	6,030,062	**3,012,479**

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	03.07.2023 to 31.03.2024
14 Sales		
Revenue	2,630,530	1,134,514
	2,630,530	**1,134,514**
15 Other income		
Gain/(Loss) on sale of Investment	(1,576,479)	
	(1,576,479)	
16 Cost of Revenue		
Cost of Goods sold	733,480	
	733,480	
17 General & Administrative Expenses		
Salary and Other Benefit Expenses	1,803,160	1,326,782
Staff Training Expenses	-	19,819
Consultancy Expenses	45,725	118,980
Recruitment Expenses	48,939	124,337
Retirement Benefit Expenses	34,988	465,127
Travelling Expenses	84,055	62,609
Legal and Professional Expenses	31,560	7,702
Office Expenses	430,882	71,598
Parking Expenses	7,832	5,091
Hotel Expenses	46,152	14,022
License Renewal Fees	2,848	-
Rent Expenses	99,744	
	2,635,885	**2,216,067**
18 Finance Cost		
Bank Charges	17,139	
	17,139	

18 RISK MANAGEMENT

18.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

PDS RADIUS BRANDS FZCO

Premises No. 2 W M060, Mezzanine Floor, 2 West , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

18.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

18.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

19 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025. The Current fiscal period covers the period of 08 months and 29 days from July 03, 2023 to March 31, 2024. Comparative figures are not available as the financial statements are being presented for the first time since incorporation of the Company.

20 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 05, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS RADIUS BRANDS FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS RADIUS BRANDS FZCO DUBAI - U.A.E

PDS Sourcing Bangladesh Limited

Auditor's Report and Audited Financial Statements

As at and for the year ended 31 March 2025

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PDS SOURCING BANGLADESH LIMITED

Opinion

We have audited the financial statements of PDS Sourcing Bangladesh Limited, which comprise the Statement of Financial Position as at 31 March, 2025, Statement Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of PDS Sourcing Bangladesh Limited give a true and fair view of the financial position as at 31 March, 2025, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with other applicable laws and regulations.

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 Auditors' 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 Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether 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

BSEC Bhaban (Level - 11)
102, Kazi Nazrul Islam Avenue,
Karwan Bazar, Dhaka 1215.
+88 02 55013647
+88 01764484444
+88 01612265265
www.maknco.net
info@maknco.net

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.
- 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated; Dhaka

23 APR 2025

Mohammad Ali Kawsar, FCA
Partner
Mak & Co., Chartered Accountants
Enrollment No: 1290
DVC No: 2504231290AS272163

BSEC Bhaban (Level - 11)
102, Kazi Nazrul Islam Avenue,
Karwan Bazar, Dhaka 1215.
+88 02 55013647
+88 01764484444
+88 01612265265
www.maknco.net
info@maknco.net
SFAI
Member Firm of SFAI, USA

SFA

Mak & Co.
Chartered Accountants

PDS Sourcing Bangladesh Limited
Statement of Financial Position
As at 31 March, 2025

Particulars	Notes	31.03.2025 Taka	31.03.2024 Taka
Non-current assets		**40,514,824**	**44,664,017**
Property, Plant & Equipment	4	35,381,892	37,754,117
Deferred Tax Assets		5,132,932	6,909,900
Current assets		**4,650,489**	**6,041,638**
Advance, deposit & prepayments	5	2,887,558	217,525
Cash and cash equivalents	7	1,762,931	5,824,113
Total Assets		**45,165,313**	**50,705,655**
Equity & Liabilities			
Shareholder's Equity		**44,547,381**	**49,536,591**
Share Capital	9	117,418,900	117,418,900
Retained Earnings		(72,871,519)	(67,882,309)
Current liabilities		**617,931**	**1,169,063**
Liabilities for expenses	8	154,445	662,541
Provision for income tax	6	463,486	506,522
Total Equity and Liabilities:		**45,165,313**	**50,705,654**
Net Assets Value Per Share		**37.94**	**42.19**

The accompanying notes form an integral part of these financial statements.

Managing Director

Director

Signed as per our annexed report of even date.

23 APR 2025
Dated: Dhaka;

Mohammad Ali Kawsar, FCA
Partner
Enrollment No: 1290
Mak & Co., Chartered Accountants
DVC NO: 2504231290AS272163

SF

Mak & Co.
Chartered Accountants

PDS Sourcing Bangladesh Limited
Statement of Comprehensive Income (Income Statement)
For the year ended 31 March, 2025

Particulars	Notes	31.03.2025 Taka	31.03.2024 Taka
Revenue	10	2,699,907	2,283,802
Cost of Sales		-	-
Gross profit:		**2,699,907**	**2,283,802**
Less: Operating expenses:		**5,099,729**	**16,654,636**
Administrative expenses	11	5,099,729	16,654,636
Selling expenses		-	-
Profit from operation:		**(2,399,822)**	**(14,370,834)**
Other income	12	-	-
Profit before Interest & Tax		**(2,399,822)**	**(14,370,834)**
Less: Financial expenses		-	-
Profit before Income Tax		**(2,399,822)**	**(14,370,834)**
Less: Income tax expenses	13	812,420	943,335
Less: Deferred tax (income)/expenses	14	1,776,968	(675,952)
Net Profit after tax		**(4,989,210)**	**(14,638,217)**
Add: Other comprehensive income		-	-
Total comprehensive income		**(4,989,210)**	**(14,638,217)**
Earning per share (EPS)		**(4.25)**	**(12.47)**

The accompanying notes form an integral part of these financial statements.

Managing Director

Director

Signed as per our annexed report of even date.

23 APR 2025
Dated: Dhaka;

Mohammad Ali Kawsar, FCA
Partner
Enrollment No: 1290
Mak & Co., Chartered Accountants
DVC NO: 2504231290AS272163

PDS Sourcing Bangladesh Limited
Statement of Cash Flows
For the year ended 31 March, 2025

	31.03.2025 Taka	31.03.2024 Taka
Cash flows from operating activities:		
Cash receipts from customers and others	2,699,907	2,283,802
Cash paid to suppliers and others	(6,761,089)	(9,553,540)
Net cash flow/(used) in Operating Activities (A):	**(4,061,182)**	**(7,269,738)**
Cash flows from investing activities:		
Acquisition of non current assets	-	-
Investment in FDR	-	-
Net cash used in investing activities (B):	-	-
Cash flows from financing activities:		
Paid up capital		
Share Money Deposit	-	-
Net cash generated from financing activities (C):	-	-
Net increase/(decrease) in cash and cash equivalents	**(4,061,182)**	**(7,269,738)**
Cash and cash equivalent at the beginning of the year	5,824,113	13,093,851
Cash and cash equivalent at the ending of the year	**1,762,931**	**5,824,113**
Cash and cash equivalent comprises of:		
Cash in hand	13,230	270,200
Cash at bank	1,720,779	5,541,078
Cash With Nagad	28,922	12,835
	1,762,931	**5,824,113**
Net operating cash flow per share	**(3.46)**	**(6.19)**

The accompanying notes form an integral part of these financial statements.

Managing Director

Director

PDS Sourcing Bangladesh Limited
Notes to the Financial Statements
As at and for the year ended 31 March, 2025

1.00 Background of the Company

PDS Sourcing Bangladesh Limited was incorporated under Company Act 1994 as private limited companies by shares vide Registration No. C-113829/14 dated February 2, 2014 having prime objectives of acquire the properties in the city of Dhaka and anywhere in Bangladesh and to let out those properties and carrying on the business as manufacturers, processors, traders, importers, exporters, buyers, sellers, marketers, showroom owners, general commission agent, dealers, distributors, brokers, wholesalers, retailers, exchangers, franchise traders, stockiest, jobbers, fabricators of otherwise deal in all kind of garments etc.

2.00 Basis of preparation of financial statements

2.01 Statement of Compliance

The financial statements have been prepared incompliance with the requirements of the Companies Act 1994, and other relevant local laws as applicable and in accordance with the accounting policies mentioned in the following paragraphs.

2.02 Regulatory Compliances

In addition to the provision of Companies Act 1994, the management complies with the applicable provisions of following act & laws:

- The Income Tax Act 2023;
- The Income Tax Rules 2024;
- Value Added Tax and Supplementary Duty Act, 2012
- Value Added Tax and Supplementary Duty Rules, 2016;

2.03 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- Statement of financial position as at 31 March, 2025;
- Statement of comprehensive income for the year ended on 31 March, 2025.
- Statement of changes in equity for the year ended on 31 March, 2025;
- Statement of cash flows for the year ended on 31 March, 2025; and
- Accounting policies and other explanatory notes for the year ended on 31 March, 2025.

2.04 Measurement Bases used in preparing the Financial Statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.05 Reporting Currency and Level of Precision

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.14 Contingencies

Contingencies arising from claim, litigation assessment, fines, penalties etc are recorded it is probable that a liability has been incurred and the amount can be measured reliably accordance with "IAS 37: Provisions, Contingent Liabilities and Contingent Assets".

2.15 Going Concern

The company has adequate resources to continue its operations for foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

3.00 General

Figures are rounded off to the nearest Taka.

SF

PDS Sourcing Bangladesh Limited
Schedule of Property, Plant and Equipment
For the year ended 31 March, 2025

4 Property, plant and equipment

Amount in Taka

Particulars	Cost				Rate	Depreciation				WDV as at 31 March 2025
	Balance as at 01 April 2024	Addition during the year	Disposal during the year	Balance as at 31 Mar 2025		Balance as at 01 April 2024	Charged during the year	Adjustment during the year	Balance as at 31 Mar 2025	
Freehold Building	47,443,939	-	-	47,443,939	5%	9,689,822	2,372,225		12,062,047	35,381,892
Furniture & Fixture	37,885,592	-	-	37,885,592	25%	37,885,592	-	-	37,885,592	-
Office Equipment	12,126,125	-	-	12,126,125	33%	12,126,125	-	-	12,126,125	-
IT Equipment	8,845,593	-	-	8,845,593	33%	8,845,593	-	-	8,845,593	-
As at March 31, 2025	**106,301,249**	-	-	**106,301,249**		**68,547,132**	**2,372,225**	-	**70,919,356**	**35,381,892**

For the year ended 31 March 2024

Amount in Taka

Particulars	Cost				Rate	Depreciation				WDV as at 31 March 2024
	Balance as at 01 April 2023	Addition during the year	Disposal during the year	Balance as at 31 Mar 2024		Balance as at 01 April 2023	Charged during the year	Adjustment during the year	Balance as at 31 Mar 2024	
Freehold Building	47,443,939	-	-	47,443,939	5%	7,317,598	2,372,225		9,689,822	37,754,117
Furniture & Fixture	37,885,592	-	-	37,885,592	25%	32,492,067	5,393,525	-	37,885,592	-
Office Equipment	12,126,125	-	-	12,126,125	33%	12,126,125	-	-	12,126,125	-
IT Equipment	8,845,593	-	-	8,845,593	33%	8,845,593	-	-	8,845,593	-
As at March 31, 2024	**106,301,249**	-	-	**106,301,249**		**60,781,382**	**7,765,750**	-	**68,547,132**	**37,754,117**

PDS SOURCING FZCO

Audited Financial Statements

For the year April 01, 2024 to March 31, 2025

Table of Contents

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO
License No		05396

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Business Address	:	Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	ENBD Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Financial review:

The table below summarizes the results of 2024-25 and 2022-23

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**26.10.2022 to 31.03.2024**
Revenue	1,492,556	-
Net profit/(Loss) for the period	70,183	(41,816)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2025

Statement of Manager responsibilities:

The applicable requirements require the Manager 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.

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 Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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. These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS SOURCING FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO DUBAI - U.A.E

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Sourcing FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **PDS Sourcing FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 12th May, 2025

PDS SOURCING FZCO

Premises 308, SWA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 26.10.2022 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	**(A)**	-	-
Current Assets			
Advances, Deposits and Other Receivables	7	979,426	332,360
Cash and Cash Equivalents	8	192,210	106,684
Total Current Assets	**(B)**	**1,171,636**	**439,044**
Total Assets	**(A+B)**	**1,171,636**	**439,044**
Equity			
Share Capital	9	100,000	100,000
Retained Earnings	10	28,367	(41,816)
Shareholder Current Account		-	-
Total Equity	**(C)**	**128,367**	**58,184**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Trade Payables	11	37,239	-
Due to Related Party	12	1,006,030	380,860
Total Current Liabilities	**(E)**	**1,043,269**	**380,860**
Total Liabilities	**(F)=(D+E)**	**1,043,269**	**380,860**
Total Equity and Liabilities	**(C+F)**	**1,171,636**	**439,044**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS SOURCING FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO DUBAI - U.A.E.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2024

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 26.10.2022 to 31.03.2024
Revenue		1,492,556	-
Cost of revenue		(727,025)	-
Gross profit		**765,531**	-
General and administrative expenses	15	(690,423)	(41,711)
Finance cost		(4,925)	(105)
Profit/ (Loss) for the year		**70,183**	**(41,816)**
Attributable to:			
- Shareholder of the Company		70,183	(41,816)
- Non-controlling interest		-	-
		70,183	**(41,816)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**70,183**	**(41,816)**
Attributable to:			
- Shareholder of the Company		70,183	(41,816)
- Non-controlling interest		-	-
		70,183	**(41,816)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS SOURCING FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO DUBAI - U.A.E.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity - for the year ended March 31, 2025

Equity and retained earnings	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced October 26, 2022	100,000	-	-	100,000
Profit/(Loss) for the Period	-	(41,816)	-	(41,816)
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	**(41,816)**	-	**58,184**
Profit/(Loss) for the year	-	70,183	-	70,183
Net Movements during the year	-	-	-	-
Balance as at March 31, 2025	**100,000**	**28,367**	-	**128,367**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS SOURCING FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO DUBAI - U.A.E.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Cash Flow Statement for the year ended March 31, 2025

(figures in AED)

	01.04.2024 to 31.03.2025	26.10.2022 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	70,183	(41,816)
Adjustments:		
Depreciation	-	-
Financial Charges	4,925	-
Net cash from operating activities	**75,108**	**(41,816)**
Changes in working capital		
(Increase)/ Decrease in Other current assets	(647,066)	(332,360)
Amount due to related party	625,170	380,860
Increase/(Decrease) in Trade payables	37,239	-
Net cash used in operating activities	**90,451**	**6,684**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	(4,925)	-
Shareholder Current Account	-	-
Net cash generated in financing activities	(4,925)	**100,000**
Net increase in cash and cash equivalents	85,526	106,684
Cash and cash equivalents beginning of period	106,684	-
Cash and cash equivalents end of period	**192,210**	**106,684**
Represented by:		
Cash Balance	-	-
Bank Balance	192,210	106,684
	192,210	**106,684**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS SOURCING FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO DUBAI - U.A.E.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

1 LEGAL STATUS :

PDS SOURCING FZCO is incorporated on **October 26, 2022 under License No.- LEGAL STATUS 05396 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Deepak Kumar Seth
2.Mr.Rahul Khettry

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Footwear Trading

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a net profit of AED 70,183 and as at March 31 2025, the company had accumulated profit of AED 28,367 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

		(figures in AED)
	01.04.2024 to 31.03.2025	**26.10.2022 to 31.03.2024**
7 Advances, deposits and Trade receivables		
DIEZ E-Wallet	1,335	1,335
Prepaid Expenses	278,091	331,025
Trade Reeceivables	700,000	-
	979,426	**332,360**
8 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	192,210	106,684
	192,210	**106,684**

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	100%	100	100,000

10 Retained Earnings		
Balance at the beginning of the Period	(41,816)	-
Profit/(Loss) for the Period	70,183	(41,816)
Balance at the end of the Period	**28,367**	**(41,816)**
11 Trade & Other Payables		
Other Payables	20,549	-
Provision for Expenses	16,690	-
	37,239	**-**

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Amount due to related party	01.04.2024 to 31.03.2025	26.10.2022 to 31.03.2024
PDS Multinational FZCO	858,813	380,860
PDS Fashion Ltd	140,692	-
OLE Fashion Ltd	6,525	-
	1,006,030	**380,860**

13 Revenue

Sale of Goods	792,555	-
Commisison Income	700,001	-
	1,492,556	**-**

14 Cost of Goods Sold

Cost of Goods Sold	727,025	-
	727,025	**-**

15 General & Administrative Expenses

License Expenses	17,262	33,586
Legal and professional expenses	13,273	8,125
Administrative expenses	332,454	-
Rent Expense	248,978	-
Travelling Expenses	29,749	-
Electricity and Water Expenses	13,920	-
Repair and Maintenance Expenses	17,481	-
Office Expenses	7,230	-
Hotel Expenses	10,076	
	690,423	**41,711**

16 Finance Cost

Bank charges	2,161	105
Forex Exchange Gain/ (Loss)	2,764	-
	4,925	**105**

PDS SOURCING FZCO

Premises 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

17 RISK MANAGEMENT

17.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

17.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

17.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

18 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025.The previous period covers the period of 17 months 6 days from 26 October 2022, to March 31, 2024. Previous period figures may have regrouped or rearranged for better presentation.

19 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 12, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS SOURCING FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS SOURCING FZCO * DUBAI - U.A.E

PDS Sourcing Limited

Financial statements

31 March 2025

PDS Sourcing Limited

Financial statements
for the year ended 31 March 2025

Contents

PDS Sourcing Limited

Corporate data

Director:		**Appointed on**
	Mr Deepak Kumar Seth	05 May 2006
	Mr Pallak Seth	05 May 2006
	Mr Sharmil Shah	01 March 2018
	Mr Sheik Mohamad Ally Shameem Kureemun	07 August 2018
	Mr Krishna Ramguttee (alternate to Mr Sheik Mohamad Ally Shameem Kureemun)	07 August 2018

Company Secretary: Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No.5, President John Kennedy Street
Port Louis
Republic of Mauritius

Registered office: C/o Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No.5, President John Kennedy Street
Port Louis
Republic of Mauritius

Auditor: Lancasters
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Republic of Mauritius

Banker: HSBC Bank (Mauritius) Limited
Icon Ebene, Level 5,
Office 1 West Wing,
Rue de l'Institut,
72202,
Republic of Mauritius

PDS Sourcing Limited

Directors' report

The directors are pleased to present their report together with the audited financial statements of PDS Sourcing Limited (the "Company") for the year ended 31 March 2025.

Principal activity

The principal activity of the Company is investment holding.

Results and dividend

The results for the year are shown on page 7.

The directors paid a dividend of USD 3,500,000 of a dividend for the year under review. (2024: 9,100,000).

Statement of directors' responsibilities in respect of financial statements

Mauritius Companies Act requires the directors to prepare financial statements for each financial year giving a true and fair view of the statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the notes to the accounts of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors

Our auditors, Lancasters Chartered Accountants have expressed their willingness to continue in office for the next financial year end.

By order of the Board of Directors

Director

Date: 14/05/2025

Rogers Capital

PDS Sourcing Limited

Secretary's certificate
for the year ended 31 March 2025

Secretary's certificate under Section 166 (d) of the Mauritius Companies Act 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Mauritius Companies Act 2001.

Adamessa

For and on behalf of **ROGERS CAPITAL CORPORATE SERVICES LIMITED**
Company secretary

Date:......14/05/2025........

Auditor's report to member of PDS Sourcing Limited

Opinion

We have audited the financial statements of **PDS Sourcing Limited** (the "Company") set out on pages 7 to 40 which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of, the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001, but does not include the financial statements nor our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's report to member of PDS Sourcing Limited (continued)

Responsibilities of the Directors for the Financial Statements (continued)

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 scepticism 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the director'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 the directors 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.

Lancasters
Chartered Accountants

Auditor's report to member of PDS Sourcing Limited (continued)

Other matter

This report is made solely for the Company's member, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Lancasters

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius

Date: 14.05.2025

Pasram Bissessur FCCA, ACA, MBA (UK)
Licensed by FRC

PDS Sourcing Limited

Statement of profit or loss and other comprehensive income
for the year ended 31 March 2025

	Note	2025 USD	2024 USD
Revenue			
Revenue	7	**6,887,948**	18,796,892
Expenses			
Director fees		**525,000**	-
Interest paid		**422,135**	-
Amortisation on intangibles		**297,331**	-
Consultancy fees		**58,250**	7,233,568
Professional fees		**20,268**	19,460
Audit and accounting fees		**14,396**	11,302
Administration charges		**3,151**	2,852
Bank charges		**2,942**	9,205
Licence fees		**2,190**	2,512
Disbursement		**184**	-
Recharge expenses		-	2,321,037
Depreciation		-	-
		1,345,847	9,599,936
Profit from operating activities		**5,542,101**	9,196,956
Foreign exchange gain	8	**33,789**	116,219
Investment written off		-	(996,842)
Receivable written off		-	(2,090,828)
Loss on disposal		**6,203**	-
Profit before taxation		**5,582,093**	6,225,505
Taxation	9	**98,963**	(98,963)
Profit for the year		**5,681,056**	6,126,542
Other comprehensive income		-	-
Total comprehensive income for the year		**5,681,056**	6,126,542

The notes on pages 11 to 40 form part of these financial statements

PDS Sourcing Limited

Statement of financial position
at 31 March 2025

	Note	2025 USD	2024 USD
Assets			
Non-current assets			
Investments in subsidiaries	10	**16,079,637**	16,156,763
Intangibles	11	**594,661**	891,992
Total non-current assets		**16,674,298**	17,048,755
Current assets			
Other receivables	12	**15,870,265**	6,186,446
Cash and cash equivalents		**17,585**	662,533
Total current assets		**15,887,850**	6,848,979
Total assets		**32,562,148**	23,897,734
Equity			
Stated capital	13	**13,987,266**	13,987,266
Revenue reserves		**6,120,349**	3,939,293
Total equity		**20,107,615**	17,926,559
Liabilities			
Current liabilities			
Other payables	14	**12,454,533**	5,872,212
Tax payable	9	**-**	98,963
Total current liabilities		**12,454,533**	5,971,175
Total equity and liabilities		**32,562,148**	23,897,734

Approved by the Board of Directors on 14/05/2025 and signed on its behalf by:

Director *Director*

The notes on pages 11 to 40 form part of these financial statements

PDS Sourcing Limited

Statement of changes in equity
for the year ended 31 March 2025

	Stated capital USD	Revenue reserves USD	Total USD
Balance as at 01 April 2023	13,987,266	6,912,751	20,900,017
Total comprehensive income for the year			
Profit for the year	-	6,126,542	6,126,542
Dividend paid	-	(9,100,000)	(9,100,000)
Balance as at 31 March 2024	13,987,266	3,939,293	17,926,559
Total comprehensive income for the year			
Profit for the year	**-**	**5,681,056**	**5,681,056**
Dividend paid	**-**	**(3,500,000)**	**(3,500,000)**
Balance as at 31 March 2025	**13,987,266**	**6,120,349**	**20,107,615**

The notes on pages 11 to 40 form part of these financial statements

PDS Sourcing Limited

Statement of cash flows
for the year ended 31 March 2025

	2025 USD	2024 USD
Cash flows from operating activities		
Profit before taxation	**5,582,093**	6,225,505
Adjustments for:		
Dividend income	**(6,378,020)**	(9,364,576)
Interest income	**(450,428)**	(57,012)
Loss on foreign exchange	**(33,789)**	(116,219)
Investment written off	-	996,842
Receivable written off	-	2,090,828
Amortisation of intangible	**297,331**	-
Interest paid	**422,135**	-
Gain on disposal	**(6,203)**	-
	(566,881)	(224,632)
Change in working capital		
Change in other receivables	**(8,032,826)**	(2,910,174)
Change in other payables	**6,160,186**	3,496,238
Net cash (used in)/ from operating activities	**(2,439,521)**	361,432
Cash flows from investing activities		
Acquisition of investments	**(7)**	(133,156)
Repayment of loan from subsidiary	**83,336**	-
Dividend received	**5,211,244**	9,364,576
Net cash from investing activities	**5,294,573**	9,231,420
Cash flows from financing activities		
Dividend paid	**(3,500,000)**	(9,100,000)
Net cash used in financing activities	**(3,500,000)**	(9,100,000)
Movement in cash and cash equivalents	**(644,948)**	492,852
Cash and cash equivalents at beginning of the year	**662,533**	169,681
Cash and cash equivalents at end of the year	**17,585**	662,533

The notes on pages 11 to 40 form part of these financial statements

1. General information

PDS Sourcing Ltd (The "Company") is a private limited company, incorporated and domiciled in Mauritius. The address of the registered office is No.5 President John Kennedy Street, 3rd Floor, Rogers House, Port Louis, Republic of Mauritius. The main activity of the Company is that of investment holding.

The Company is a holder of a Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

2. Basis of preparation

(a) Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Mauritius Companies Act. The Company is a sub subsidiary of PDS Limited and has taken advantage of paragraph 4 of International Financial Reporting Standards (IFRS 10) - 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as its ultimate holding company is preparing consolidated financial statements as per IFRS as issued by the IASB. The registered PDS Limited where the consolidated financial statements are available is Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.

(b) Basis of measurement

These financial statements have been prepared under the going concern basis using the historical cost convention, except for financial instruments which are carried at amortised cost.

(c) Functional currency and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company's functional currency and presentation currency.

(d) Use of estimates and judgement

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

2. **Basis of preparation (continued)**

(d) Use of estimates and judgement (continued)

Assumption and estimation uncertainties

Information about assumptions, estimation uncertainties and critical judgements in applying accounting policies that have the most significant risk of resulting in a material adjustment in these financial statements are included in the relevant notes as follows:

- Recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts; and
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

(e) Measurement of fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

2. **Basis of preparation (continued)**

(f) New standards, interpretations and amendments adopted during the year

There have been amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Classification of liabilities as current or non-current and on-current liabilities with covenants *(Amendments to IAS 1)*

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional was removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. The amendments confirm that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The amendments also clarify how an entity classifies a liability that can be settled in its own shares. When a liability includes a counterparty conversion option that involves a transfer of the company's own equity instruments, the conversion option is recognised as either equity or a liability separately from the host liability under IAS 32 Financial Instruments: Presentation. The amendments now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

2. Application of new and revised International Financial Reporting Standards ("IFRSs") (continued)

(f) New standards, interpretations and amendments adopted during the year (continued)

Classification of liabilities as current or non-current and on-current liabilities with covenants (Amendments to IAS 1) (continued)

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted. It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

(g) New standards, amendments and interpretations adopted but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 31 December 2024 and have not been applied in preparing these separate financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Classification and measurement requirements for financial instruments (Amendments to IFRS 7 and IFRS 9)

Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 7, IFRS 9 and IAS 7)

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

IFRS 9 amendments

The IASB's amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured.

Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price.

The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.

The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. However, the amendment does not address how to distinguish between derecognition and modification of a lease liability. The IASB has indicated that it may consider this issue as part of a future project. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

2. Application of new and revised International Financial Reporting Standards ("IFRSs") (continued)

(g) New standards, amendments and interpretations adopted but not yet effective (continued)

IAS 7 amendments

The IASB amendments replace the term 'cost method' with 'at cost'. The IASB had removed the definition of 'cost method' from IFRS Accounting Standards in May 2008 however, at that time, the IASB had not amended certain paragraphs of IAS 7.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories being, operating, investing, and financing activities, based on a company's main business activities. However, the company's net profit will not change.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g., cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 also requires the disclosure of Management Performance Indicators ("MPMs") which are subject to audit. They are designed to capture some but not all 'non-GAAP' measures. The standard requires MPMs to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciled to an amount determined under IFRS Accounting Standards. Furthermore, a company must state that it provides management's view of financial performance and is not necessarily comparable to those of other companies. Any changes or new MPMs must also be explained.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

3. **Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:

(a) *Foreign currency translations*

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of profit or loss within "finance income/ costs".

(b) *Revenue recognition*

Revenue is recognised as follows:

- Marketing and consultancy income are accounted for as it accrues
- Dividend income is recognised when the right to receive income is established.
- Service fee income

(c) *Finance income and finance costs*

The Company's net finance income includes interest income and foreign exchange differences.

3. Material accounting policies (continued)

(d) Taxation

Taxation comprises current withholding and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income ("OCI").

Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the 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 also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if the Company has the legal right and the intention to settle on a net basis.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3. **Material accounting policies (continued)**

(e) Investment in subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investment in subsidiaries are shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

(f) Financial instruments

Recognition and initial measurement

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL or FVTOCI. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. **Material accounting policies (continued)**

(f) *Financial instruments (continued)*

Financial assets(continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets measured at amortised cost include loans to related parties, other receivables (excluding prepayments), short-term deposit and cash and cash equivalents.

Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintain a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed;

- how managers of the business are compensated – e.g whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets -Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3. Material accounting policies (continued)

(f) Financial instruments (continued)

Financial assets -Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities measured at amortised cost

Financial liabilities

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category: loan from holding company, loan from financial institution and other payables.

Non-derivative financial liabilities – Measurement

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Non-derivative liabilities comprise of loan from holding company, loan from financial institution and other payables.

3. **Material accounting policies (continued)**

(f) *Financial instruments (continued)*

Non-derivative financial assets -Impairment

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

- Loss allowances are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security; or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

3. Material accounting policies (continued)

(f) *Financial instruments (continued)*

Non-derivative financial assets -Impairment (continued)

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

- Loss allowances are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security; or

- the financial asset is more than 90 days past due.
  Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

3. **Material accounting policies (continued)**

(f) *Financial instruments (continued)*

Non-derivative financial assets –Impairment (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer
- it is probable that the borrower will enter bankruptcy or other financial reorganisation
- the underlying project is put on hold
- breach of contract such as a default or being more than 90 days past due.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred;or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

3. Material accounting policies (continued)

(f) Financial instruments (continued)

Derecognition (continued)

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

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

There is no offsetting of financial instruments applied as at reporting date in the statement of financial position.

(g) Ordinary shares

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

3. **Material accounting policies (continued)**

   (h) Expenses

   All expenses are recognised in the statement of profit and loss and comprehensive income on an accrual basis.

   (i) Provisions

   A provision is recognised if, as a result of a past event, the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

4. **Critical accounting estimates and judgements**

Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising there are dependent on the functional currency selected. As described in Note 2 (c), the directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar (USD).

Impairment assessment of investments

Management carries out regular review of the status of the assets of the Company to determine whether there is any indication that these assets suffered any impairment.

If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment, which is then recognised in profit or loss. Management checks whether there is objective evidence that the assets are impaired and that the fair values have declined. Management estimates of the impairment are based on critical evaluation of the economic circumstances involved, historical experience and other factors considered to be relevant.

Estimation of recoverable amounts of loans to related parties

In preparing the financial statements, the directors have made estimates of the recoverable amounts of loans to related parties and impaired those receivables where the carrying amounts exceed its recoverable amounts. The estimation of recoverable amounts involves an assessment of the financial condition of the debtors concerned and an estimate of the timing and the extent of cash flows likely to be received by the Company.

5. Financial instruments – Fair values and risk management

(a) Accounting classifications and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2025	**Carrying amounts**		
	Amortised cost USD	**Other financial liabilities USD**	**Total USD**
Financial assets not measured at fair value			
Other receivables	**15,869,537**	**-**	**15,869,537**
Cash and cash equivalents	**17,585**	**-**	**17,585**
	15,887,122	**-**	**15,887,122**
Financial liabilities not measured at fair value			
Other payables	**-**	**12,454,533**	**12,454,533**
	-	**12,454,533**	**12,454,533**

31 March 2024	Carrying amounts		
	Amortised cost USD	Other financial liabilities USD	Total USD
Financial assets not measured at fair value			
Other receivables	6,185,798	-	6,185,798
Cash and cash equivalents	662,533	-	662,533
	6,848,331	-	6,848,331
Financial liabilities not measured at fair value			
Other payables	-	5,872,212	5,872,212
	-	5,872,212	5,872,212

5. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management

Introduction and preview

Financial instruments carried on the statement of financial position include other receivables, cash and cash equivalents, other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are market risk, credit risk and liquidity risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews their risk management policies and systems to reflect changes in markets and emerging best practice.

Risk management is carried out by the Board of directors through board meetings. The Company provide principles for overall risk management.

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant exposure to interest rate risk.

5. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

(ii) Currency risk

The Company has certain financial instruments denominated in GBP. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to GBP may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities, which are denominated in USD.

Currency profile

	Financial assets 2025 USD	**Financial liabilities 2025 USD**	Financial assets 2024 USD	Financial liabilities 2024 USD
USD	**13,607,279**	**12,324,981**	4,678,629	5,872,212
GBP	**2,279,843**	**129,552**	2,160,702	-
	15,887,122	**12,454,533**	6,848,331	5,872,212

Sensitivity Analysis:

A 10 % strengthening of USD against the GBP at 31st March 2025 would have increased net profit before tax by **USD 215,029** (2024: USD 216,970). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as in 2023.

Currency	**2025 USD**	2024 USD
GBP	**215,029**	216,970

Similarly, a 10% weakening of the USD against the GBP at 31 March 2025 would have had the exact reverse effect.

6. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions through companies within the group. At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	2025 USD	2024 USD
Other receivables	**15,869,537**	6,185,798
Cash and cash equivalents	**17,585**	662,533
	15,887,122	6,848,331

Expected credit loss assessment

(i) *Other receivables*

The Company applies the simplified approach to measuring expected credit losses, as permitted by IFRS 9, which uses a 12-month expected loss allowance for all other receivables.

The expected credit loss on other receivables was deemed by management to be not material and therefore no impairment allowances were accounted for.

(ii) Cash and cash equivalents

The Company held cash and cash equivalents of **USD 17,585** at 31 March 2025 (2024: USD 662,533). The cash and cash equivalents are held with banks with international repute and having strong track record in the banking industry.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The expected credit loss on cash and cash equivalents was deemed by management to be not material and therefore no impairment allowances were accounted for.

6. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

	Within one year USD	One to five years USD	Total USD
31 March 2025			
Financial liabilities			
Other payables	**12,454,533**	**-**	**12,454,533**
	========	========	========
31 March 2024			
Financial liabilities			
Other payables	5,872,212	-	5,872,212
	========	========	========

7. Revenue

Revenue consists of:

	2025 USD	2024 USD
Consultancy income	**59,500**	5,103,445
Marketing income	**-**	2,312,424
Dividend income	**6,378,020**	9,364,576
Service Fee Income	**-**	1,900,000
Recharge income	**-**	59,435
Interest income	**450,428**	57,012
	6,887,948	18,796,892
	=========	=========

8. Net finance income

	2025 USD	2024 USD
Finance income:		
Unrealised exchange gain	**135,961**	250,074
Realised exchange gain	**-**	1,277
	135,961	251,351
Finance costs:		
Unrealised exchange loss	**(98,136)**	(135,132)
Realised exchange loss	**(4,036)**	-
	(102,172)	(135,132)
Net finance income	**33,789**	116,219

9. Taxation

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15% (2024: 15%).

Pursuant to the Finance Act 2019, the Company's foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all its foreign sourced income. Under the new regime, the Company will be able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

A reconciliation of the actual income tax based on accounting profit and the actual income tax expense is as follows:

9. Taxation (continued)

Recognised in the statement of profit or loss and other comprehensive income

	2025 USD	2024 USD
Current tax charge – current year	-	98,963
Overprovision for previous year	(98,963)	-
Taxation	(98,963)	98,963

Reconciliation of effective tax

	2025 USD	2024 USD
Profit before taxation	5,582,093	6,225,596
Income tax at 15%	837,314	933,839
Non allowable expenses	264,003	650,966
Non-taxable income	(20,976)	(37,587)
Exempt income		
CCR Tax	(930)	(738,611)
	143,921	-
Underlying tax suffered	(1,223,332)	(709,644)
Current year tax expense	-	98,963

10. Investments in subsidiaries

Investments consist of unquoted shares

	2025 USD	2024 USD
Cost		
At 01 April	16,156,763	17,020,450
Acquisition during the year	7	138,055
Written off during the year	-	(996,842)
Disposal during the year	(77,133)	(4,900)
As at 31 March	16,079,637	16,156,763

10. Investments in subsidiaries (continued)

Name of company	*Type of shares*	*Number of shares*	*% held*	*Country of incorporation*
Angelic-Partners Limited	Equity	7	55%	Hong Kong
Design Arc UK Ltd	Equity	52,927	85%	United Kingdom
PDS Fashions Limited (Prev PDS Vogue Ltd)	Equity	1,149,282	100%	United Kingdom
PG Group	Equity	500,000	50%	Hong Kong
Poetic Brands Limited	Equity	45,561	60%	United Kingdom
Poeticgem Limited	Equity	2,454,582	99%	United Kingdom
Spring Design London Limited	Equity	1	100%	United Kingdom
Grupo Sourcing Ltd	Equity	51,000	51%	Hong Kong
Moda & Beyond Ltd	Equity	8,055	63%	United Kingdom
PDS Asia Star Corp Ltd HK	Equity	180,000	60%	Hong Kong
PDS Central America Limited (Prev PDS Collective Sourcing Ltd)	Equity	100,000	100%	Hong Kong
PDS Online Enterprise HK Limited (Prev PDS Design Services Ltd)	Equity	10,000	100%	Hong Kong
PDS North America Ltd (Prev PDS Fashions Hong Kong Ltd)	Equity	10,000	100%	Hong Kong
PDS Incubation Co. Ltd	Equity	10,000	100%	Hong Kong
DBS Lifestyle Ltd (Prev PDS Lifestyle HK)	Equity	5,100	51%	Hong Kong
PDS Lifestyle Ltd (UK)	Equity	1	100%	United Kingdom
PDS Smart Fabric Tech Ltd	Equity	254,860	100%	Hong Kong
Poeticgem International Ltd	Equity	4,043,664	100%	Hong Kong
Simple Approach (redeemable preference shares)	Equity	1,990,000	100%	Hong Kong
Simple Approach	Equity	4,591,500	80%	Hong Kong
Techno Design HK	Equity	55,000	55%	Hong Kong
Zamira Fashions Ltd	Equity	167,500	67%	Hong Kong
PDS Fashion USA Limited	Equity	407,201	85%	Hong Kong

At the reporting date, the directors have reviewed the carrying amounts of the investments in subsidiaries and considered that no provision for impairment is required for the year under review.

PDS Sourcing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

11. Intangibles

	2025 USD	2024 USD
At 01 April		
Addition during the year	**891,992**	891,992
Amortisation during the year	**(297,331)**	-
As at 31 March	**594,661**	891,992

The company is implementing an IT development project.

12. Other receivables

	2025 USD	2024 USD
Unsecured, interest free loan/ advances and repayable on demand	**663,387**	-
Secured, interest bearing loan	**12,698,545**	734,919
Non-trade receivables	**2,507,605**	1,347,580
Prepayments	**728**	4,103,299
		648
	15,870,265	6,186,446

13. Stated capital

	2025 USD	2024 USD
13,987,266 ordinary shares of USD 1 each	**13,987,266**	13,987,266

All shares in issue are fully paid up. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

14. Other payables

	2025 USD	2024 USD
Loan from holding company	**11,251,314**	-
Non-trade payables and accrued expenses	**1,203,219**	5,872,212
	12,454,533	5,872,212

The loan bears interest of 7.35% and 7.5% respectively.

15. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subject to common control.

One director of the Company is deemed to have beneficial interests in the Administration Agreement between the Company, the Administrator and Secretary.

During the year under review, the Company entered into the following related party transactions:

Transactions during the year:	*Nature:*	2025 USD	2024 USD
Multinational Textiles Group Limited	Advance paid	**2,662,727**	-
Multinational Textiles Group Limited	Recharge expense	-	2,321,036
Multinational Textiles Group Limited	Dividend declared	**3,500,000**	9,100,000
Multinational Textiles Group Limited	Amount paid	**(3,500,000)**	(9,036,500)
Multinational Textiles Group Limited	Interest paid	**422,135**	-
Multinational Textiles Group Limited	Amount received	**11,219,860**	-
Multinational Textiles Group Limited	Amount paid	**(280,000)**	-
Angelic Partners Ltd	Investment	**7**	-
PDS Collective Sourcing Ltd	Amount payable	**100,000**	-
PDS Collective Sourcing Ltd	Amount paid	**(100,000)**	-
Casa Collective Ltd	Investment	**100,000**	-
Rogers Capital Corporate Services Limited	Administrator fees accrued	**47,221**	33,527
Rogers Capital Corporate Services Limited	Administrator fees paid	**(46,871)**	(27,018)
PG Group	Transfer of shares	**10,000**	
Poeticgem Limited	Disposal of shares	**45,418**	
PDS Fashion USA Ltd	Disposal of shares	**4,113**	

PDS Sourcing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

15. Related party transactions (continued)

Transactions during the year:	*Nature:*	**2025** **USD**	2024 USD
Poeticgem International Ltd	Disposal of shares	**11,000**	-
Poeticgem International Limited	Amount accrued	**202,302**	1,304,874
Poeticgem International Limited	Amount received	**(202,302)**	(3,322,448)
Clover Collections Limited	Amount accrued	**31,038**	459,522
Clover Collections Limited	Amount received	**(23,148)**	(489,632)
Collaborative Sourcing	Amount accrued	**3,946**	64,934
Collaborative Sourcing	Amount received	**(3,946)**	(60,988)
Design Arc Asia	Amount accrued	**23,760**	627,499
Design Arc Asia	Amount received	**(23,760)**	(647,278)
PDS Brands Manufacturing	Amount accrued	**12,227**	134,307
PDS Brands Manufacturing	Amount received	**(12,227)**	(122,080)
Krayons Sourcing Limited	Amount accrued	**13,563**	296,483
Krayons Sourcing Limited	Amount received	**(13,563)**	(380,324)
Techno Design HK	Amount accrued	**11,636**	162,916
Techno Design HK	Amount received	**(11,636)**	(151,280)
Zamira Fashions Limited	Amount accrued	**16,048**	252,590
Zamira Fashions Limited	Amount received	**(16,048)**	(251,938)
Progress Manufacturing Group Limited	Amount accrued	**32,433**	494,580
Progress Manufacturing Group Limited	Amount received	**(35,534)**	(485,267)
Norwest Industries Limited	Amount accrued	**169,230**	1,148,485
Norwest Industries Limited	Amount received	**(169,230)**	(1,041,411)
Simple Approach Limited	Amount accrued	**42,029**	773,902
Simple Approach Limited	Amount received	**(42,029)**	(1,768,935)
PDS Lifestyle Ltd (UK)	Amount received	**10,416,836**	1,354
Spring Design Limited	Amount received	**342**	-
Spring Design Limited	Exchange difference on retranslation	**3,981**	-
Spring Design Limited	Loan paid	**129,860**	542,015
HESE HK Ltd	Amount received	**56,418**	
Simple Approach Limited	Amount accrued	**-**	773,902
Simple Approach Limited	Dividend receivables	**1,866,500**	1,266,500
Simple Approach Limited	Amount received	**(1,866,500)**	(1,768,935)
PDS Lifestyle Ltd (UK)	Exchange difference on retranslation	**1,389**	1,354
PDS Lifestyle Ltd (UK)	Dividend declared	**-**	2,000,000

PDS Sourcing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

15. Related party transactions (continued)

PDS Lifestyle Ltd (UK)	Amount received	-	(2,000,000)
Techno Design HK	Dividend accrued	**550,000**	-
Techno Design HK	Dividend received	**(550,000)**	-
PDS Fashion USA Ltd	Dividend accrued	**1,496, 871**	-
PDS Fashion USA Ltd	Dividend received	**(1,200,000)**	-
Poeticgem Ltd	Dividend accrued	**1,526,244**	-
Poeticgem Ltd	Dividend received	**(1,526,244)**	-
Zamira Fashions Limited	Dividend accrued	**335,000**	-
Zamira Fashions Limited	Dividend received	**(335,000)**	-
PDS Fashion Ltd	Interest accrued	**35,747**	33,165
PDS Fashion Ltd	Exchange difference on retranslation	**32,702**	36,470
Poetic Brands Limited	Amount received	-	331,023
Poetic Brands Limited	Exchange difference on retranslation	-	4,607
PG Group Limited	Amount accrued	-	205,635
PG Group Limited	Amount received	-	(205,635)
PG Home Group Limited	Amount accrued	-	36,900
PG Home Group Limited	Amount received	-	(36,900)
Styleberry Limited	Amount accrued	-	18,330
Styleberry Limited	Amount received	-	(22,427)
Grupo Sourcing Limited	Amount accrued	-	36,900
Grupo Sourcing Limited	Amount received	-	(49,200)
Twins Asia Limited	Amount accrued	-	760,539
Twins Asia Limited	Amount received	-	(760,539)
PDS Asia Star Corp Limited	Amount accrued	-	147,600
PDS Asia Star Corp Limited	Amount received	-	(147,600)
PDS Asia Star Corp Limited	Dividend declared	-	1,020,000
PDS Asia Star Corp Limited	Amount received	-	(810,000)
Fareast Vogue Limited	Amount accrued	-	73,800
Fareast Vogue Limited	Amount received	-	(73,800)
Green Apparel Industries Limited	Amount accrued	-	196,080
Green Apparel Industries Limited	Amount received	-	(201,650)
Poeticgem International Limited	Amount accrued	-	1,304,874

15. Related party transactions (continued)

Poeticgem International Limited	Amount received	-	(3,322,448)
Poeticgem International Limited	Dividend declared	-	1,500,000
Zamira Fashions Limited	Dividend declared	-	750,000
Zamira Fashions Limited	Amount received	-	(750,000)
FX Import HK Limited	Amount accrued (Interest)	-	9,575
FX Import HK Limited	Amount written off	-	(897,308)
Design Arc Asia	Amount accrued	-	627,499
Design Arc Asia	Amount received	-	(647,278)
Rogers Capital Corporate Services Limited	Administrator fees accrued	-	33,527
Rogers Capital Corporate Services Limited	Administrator fees paid	-	(27,018)
Pacific Logistics	Amount accrued	-	5,294
Pacific Logistics	Amount received	-	(5,832)
Pacific Logistics	Exchange difference on retranslation	-	25,863
Pacific Logistics	Amount written off	-	(516,431)
Poetic Knitwear	Amount accrued (Interest)	-	9,482
Poetic Knitwear	Amount received (Interest)	-	(10,384)
Poetic Knitwear	Exchange difference on retranslation	-	46,326
Poetic Knitwear	Amount written off	-	(925,041)
PDS Sourcing Hong Kong Ltd	Investments	-	(10,000)
PDS Sourcing Hong Kong Ltd	Amount received	-	10,000
Collaborative Sourcing	Amount accrued	-	64,934
Collaborative Sourcing	Amount received	-	(60,988)
PDS Brands Manufacturing	Amount accrued	-	134,307
PDS Brands Manufacturing	Amount received	-	(122,080)

PDS Sourcing Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

15. Related party transactions (continued)

Balances outstanding at 31 March:		**2025 USD**	2024 USD
Multinational Textiles Group Limited	Amount Payable	**11,760,877**	3,062,289
Angelic Partners Limited (Invt)	Amount Payable	**7**	-
Moda & Beyond Ltd	Amount Payable	**8,055**	8,055
PDS Lifestyle Limited (Hong Kong)	Amount Payable	**10,000**	10,000
PDS Lifestyle Limited (UK)	Amount Payable	**1**	1
PDS Lifestyle Limited (UK)	Amount receivable	**10,479,046**	60,788
PDS NORTH AMERICA LTD(Prev PDS Fash HK)	Amount Payable	**10,000**	10,000
Rogers Capital Corporate Services Limited	Administration payable	**350**	6,509.00
Green Apparel Industries Limited	Amount receivable	**903**	903
Clover Collections Limited	Amount receivable	**7,890**	31,038
Progress Manufacturing Group Limited	Amount receivable	**-**	36,157
Progress Manufacturing Group Limited	Amount Payable	**3,101**	-
Spring Design Limited	Amount receivable	**870,220**	1,150
Spring Design Limited	Loan receivable	-	734,919
HESE HK Ltd	Amount receivable	**10,000**	0
PDS Asia Star Corp Limited	Amount receivable	**600,000**	600,000
Simple Approach	Amount Payable	**500,000**	0
Simple Approach	Amount receivable	-	308,529
PG Group Limited	Amount receivable	**209,905**	-
PDS Fashion Ltd	Amount receivable	**1,412,666**	1,347,580
Poeticgem International Limited	Amount receivable	**-**	651,052
Krayons Sourcing Limited	Amount receivable	**-**	13,563
Zamira Fashions Limited	Amount receivable	**-**	16,048
Design Arc Asia	Amount receivable	**-**	23,760
Techno Design HK	Amount receivable	**-**	11,636
Collaborative Sourcing	Amount receivable	**-**	3,946

Notes to and forming part of the financial statements
for the year ended 31 March 2025

16. Capital management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group Companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

17. Holding and ultimate holding company

The Company is a sub subsidiary of PDS Limited, a Company incorporated in Maharashtra, India. The ultimate holding Company is PDS Limited, a company incorporated in India with its shares listed on The National Stock Exchange of India Limited and Bombay Stock Exchange.

18. Events after the reporting date

There have been no material events after the reporting date which require disclosure or adjustments to the financial statements for the year ended 31 March 2025.

PDS Ventures Limited

Financial statements

31 March 2025

PDS Ventures Limited

Financial statements
for the year ended 31 March 2025

Contents *Page*

PDS Ventures Limited

Corporate data

		Appointment on:
Directors:	Deepak Kumar Seth	20 June 2016
	Pallak Seth	20 June 2016
	Abhishekh Kanoi	08 August 2021
	Sharmil Shah	25 November 2015
	Dhanun Ujoodha	25 November 2015
	Sheik Mohamad Ally Shameem Kureemun (alternate to Dhanun Ujoodha)	25 November 2015
	Krishna Ramguttee (alternate to Sharmil Shah)	14 February 2019

Company Administrator& Secretary:

Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No.5 President John Kennedy Street
Port Louis
Republic of Mauritius

Registered office:

C/o Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No.5 President John Kennedy Street
Port Louis
Republic of Mauritius

Auditor:

Lancasters
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Republic of Mauritius

Banker:

HSBC Bank (Mauritius) Limited
6th Floor HSBC Centre
18, Cybercity Ebene
Republic of Mauritius

PDS Ventures Limited

Directors' report

The directors are pleased to present their report together with the audited financial statements of PDS Ventures Limited (the "Company") for the year ended 31 March 2025.

Principal activity

The principal activity of the Company is the holding of investments.

Results and dividend

The results for the year are shown on page 7.

The directors do not recommend the payment of a dividend for the year under review (2024: Nil).

Statement of directors' responsibilities in respect of financial statements

Mauritius Companies Act requires the directors to prepare financial statements for each financial year giving a true and fair view of the statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the notes to the accounts of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS standards as issued by International Accounting Standards Board
- ("IFRS Standards") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors

The auditors, Lancasters Chartered Accountants, have expressed their willingness to continue in office until the next Annual Meeting.

By order of the Board of Directors

Director

Date: 14/05/2025

Rogers Capital

PDS Ventures Limited

Secretary's certificate
for the year ended 31 March 2025

Secretary's certificate under Section 166 (d) of the Mauritius Companies Act 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Mauritius Companies Act 2001.

Adam Cescau

For and on behalf of **ROGERS CAPITAL CORPORATE SERVICES LIMITED**
Company secretary

Date:....14/05/2025........

Rogers Capital Corporate Services Limited. Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius | BRN C08011019 | T: (230) 203 1100 www.rogerscapital.mu

Lancasters
Chartered Accountants

Auditor's report to member of PDS Ventures Limited

Opinion

We have audited the financial statements of **PDS Ventures Limited** (the "Company") set out on pages 7 to 34 which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001, but does not include the financial statements nor our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's report to member of PDS Ventures Limited (continued)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 scepticism 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's report to member of PDS Ventures Limited (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the director'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 the directors 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.

Other matter

This report is made solely for the Company's member, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Lancasters

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius.
Date : 14.05.2025

Pasram Bissessur FCCA, ACA, MBA (UK)
Licensed by FRC

PDS Ventures Limited

Statement of profit or loss and other comprehensive income
for the year ended 31 March 2025

	Note	2025 USD	2024 USD
Interest income	6	**23,374**	44,471
Recharge income	6	**2,000**	-
		25,374	44,471
Expenses			
Audit and accounting fees		**10,132**	7,567
Professional fees		**7,900**	4,716
Administration charges		**3,068**	2,776
Licence fees		**2,270**	2,270
Bank charges		**1,600**	1,500
Total expenses		**24,970**	18,829
Profit / (Loss) from operations		**404**	25,642
Payable Waived Off		-	5,000
Investment Written Off		-	5,001
Reversal of share of loss		-	(5,000)
Profit before taxation		**404**	30,643
Taxation	7	-	-
Profit before taxation		**404**	30,643
Other comprehensive income		-	-
Total comprehensive income for the year		**404**	30,643

The notes on pages 11 to 34 form part of these financial statements

PDS Ventures Limited

Statement of financial position
as at 31 March 2025

	Note	2025 USD	2024 USD
Assets			
Non-current asset			
Investment in joint venture	8	-	-
Investment in subsidiary	9	33,760,000	22,860,000
Other investment	10	250,000	250,000
Total Non-current assets		34,010,000	23,110,000
Current assets			
Other receivables	11	415,231	389,856
Cash and cash equivalents		21,781	235
Total current assets		437,012	390,091
Total assets		34,447,012	23,500,091
Equity			
Stated capital	12	29,027,065	18,127,065
Share application monies	13	6,600,000	6,600,000
Accumulated losses		(1,234,864)	(1,235,268)
Total equity		34,392,201	23,491,797
Liabilities			
Non-current liabilities			
Advance from holding company	14(a)	-	-
Current liabilities			
Other payables	15	4,811	8,294
Advance from holding company	14(b)	50,000	-
Total current liabilities		54,811	8,294
Total equity and liabilities		34,447,012	23,500,091

Approved by the Board of Directors on 14/05/2025 and signed on its behalf by:

Director *Director*

The notes on pages 11 to 34 form part of these financial statements

PDS Ventures Limited

Statement of changes in equity
for the year ended 31 March 2025

	Stated Capital (Ordinary shares)	Stated capital (Preference shares)	Share application monies	Retained earnings	Total equity
	USD	USD	USD	USD	USD
~~Balance as at 31 March 2023~~	~~1,000,000~~	~~15,000,000~~	~~7,850,000~~	~~(1,265,911)~~	~~22,584,089~~
Transactions with owner of the Company					
Issue of shares	-	2,127,065	-	-	2,127,065
Movement during the year	-		(1,250,000)	-	(1,250,000)
Total comprehensive income for the year					-
Loss for the year	-	-	-	30,643	30,643
Balance as at 31 March 2024	1,000,000	17,127,065	6,600,000	(1,235,268)	23,491,797
Transactions with owner of the Company					
Issue of shares	-	**10,900,000**	-	-	**10,900,000**
Total comprehensive income for the year					
Profit for the year	-	-	-	**404**	**404**
Balance as at 31 March 2025	**1,000,000**	**28,027,065**	**6,600,000**	**(1,234,864)**	**34,392,201**

The notes on pages 11 to 34 form part of these financial statements

PDS Ventures Limited

Statement of cash flows
for the year ended 31 March 2025

	2025 USD	2024 USD
Cash flows from operating activities		
Profit before taxation	**404**	30,643
Adjustments for:	**-**	
Interest income	**(23,374)**	(44,471)
Payable waived off	-	(5,000)
Investment written off	-	(5001)
Reversal of share of loss	-	5,000
	(22,970)	(18,829)
Change in working capital:		
Change in other receivable	**(2,000)**	-
Change in other payables	**(3,484)**	1,496
Net cash used in operating activities	**(28,454)**	(17,333)
Cash flows from Investing activities		
Acquisition of investment	**(10,900,000)**	(250,000)
Net cash used in investing activities	**(10,900,000)**	(250,000)
Cash flows from Financing activities		
Issue of shares	**10,900,000**	-
Loan from holding Company	**50,000**	15,000
Share application monies	**-**	250,000
Net cash from financing activities	**10,950,000**	265,000
Movement in cash and cash equivalents	**21,546**	(2,333)
Cash and cash equivalents at beginning of the year	**235**	2,568
Cash and cash equivalents at end of the year	**21,781**	235

The notes on pages 11 to 34 form part of these financial statements

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

1. General information

PDS Ventures Ltd (the "Company") was incorporated as a private company in the Republic of Mauritius on 25 November 2015 and was granted a Global Business Licence on 26 November 2015. The address of the Company's registered office is C/o Rogers Capital Corporate Services Limited, 3rd Floor Rogers House, No.5, President John Kennedy Street, Port Louis, Republic of Mauritius.

The principal activity of the Company is that of investment holding.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Mauritius Companies Act. The Company is a sub subsidiary of PDS Limited and has taken advantage of paragraph 4 of International Financial Reporting Standards (IFRS 10) - 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as its ultimate holding company is preparing consolidated financial statements as per IFRS as issued by the IASB. The registered PDS Limited where the consolidated financial statements are available is Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis except where stated otherwise.

(c) Functional currency and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company's functional currency and presentation currency.

(d) Use of the estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

<u>Assumption and estimation uncertainties</u>
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2025 is included in the relevant notes as follows:

- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of loan;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

2. **Basis of preparation (continued)**

(d) Use of estimates and judgement (continued)

Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising are dependent on the functional currency selected.

Since the Company operates in an international environment and conducts most of its transaction in foreign currency, the Company has chosen to retain United States Dollar (USD) as its reporting currency. The Company determines its functional currency based on the primary economic environment in which the Company operates.

(e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2. **Basis of preparation (continued)**

(f) New standards, interpretations and amendments adopted during the year

There have been amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Classification of liabilities as current or non-current and on-current liabilities with covenants *(Amendments to IAS 1)*

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional was removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. The amendments confirm that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The amendments also clarify how an entity classifies a liability that can be settled in its own shares. When a liability includes a counterparty conversion option that involves a transfer of the company's own equity instruments, the conversion option is recognised as either equity or a liability separately from the host liability under IAS 32 Financial Instruments: Presentation. The amendments now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

2. **Basis of preparation (continued)**

(f) New standards, interpretations and amendments adopted during the year (continued)

Classification of liabilities as current or non-current and on-current liabilities with covenants (Amendments to IAS 1) (continued)

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted. It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

(g) New standards, amendments and interpretations adopted but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 31 December 2024 and have not been applied in preparing these separate financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Classification and measurement requirements for financial instruments (Amendments to IFRS 7 and IFRS 9)

Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 7, IFRS 9 and IAS 7)

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

IFRS 9 amendments

The IASB's amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured.

Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price.

The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.

The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. However, the amendment does not address how to distinguish between derecognition and modification of a lease liability. The IASB has indicated that it may consider this issue as part of a future project. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

2. Basis of preparation (continued)

(g) New standards, amendments and interpretations adopted but not yet effective (continued)

IAS 7 amendments

The IASB amendments replace the term 'cost method' with 'at cost'. The IASB had removed the definition of 'cost method' from IFRS Accounting Standards in May 2008 however, at that time, the IASB had not amended certain paragraphs of IAS 7.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories being, operating, investing, and financing activities, based on a company's main business activities. However, the company's net profit will not change.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g., cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 also requires the disclosure of Management Performance Indicators ("MPMs") which are subject to audit. They are designed to capture some but not all 'non-GAAP' measures. The standard requires MPMs to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciled to an amount determined under IFRS Accounting Standards. Furthermore, a company must state that it provides management's view of financial performance and is not necessarily comparable to those of other companies. Any changes or new MPMs must also be explained.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

3. **Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise stated.

(a) *Foreign currency translation*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of profit or loss within "Finance income/ costs".

(b) *Finance income and finance costs*

The Company's finance income/ costs include interest on bank balances, losses on cash and cash equivalents and foreign exchange gain or losses. Interest income is recognised using the effective interest method.

(c) *Revenue*

Interest income: as it accrues (taking into account the effective yield on the assets)

(d) *Expenses*

All expenses are recognised in statement of profit or loss and other comprehensive income on an accrual basis.

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

3. **Material accounting policies (continued)**

(e) *Taxation*

Taxation comprises current withholding and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income ("OCI").

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and
- Temporary differences related to investment in subsidiary to the extent the Company is able to control the timing of the reversal of the temporary differences and it is probable that it will not reverse in the foreseeable future; and

Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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 realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

3. **Material accounting policies (continued)**

(e) Taxation (continued)

(ii) Deferred tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(h) Investments in jointly controlled entities

The Company's has interests in joint ventures.

A joint venture is an arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Company has equity accounted its investment in jointly controlled entities.

(g) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in the statement of profit or loss. Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. **Material accounting policies (continued)**

(h) *Provisions*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) *Financial instruments*

Recognition and initial measurement

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at Fair Value Through Profit or Loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost include cash and cash equivalents and other receivables (excluding prepayments).

3. **Material accounting policies (continued)**

(i) *Financial instruments (continued)*

Classification and subsequent measurement (continued)

Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintain a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed;
- how managers of the business are compensated – e.g whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Company had no financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (example: periodic reset of interest rates).

3. **Material accounting policies (continued)**

(i) *Financial instruments (continued)*

Classification and subsequent measurement (continued)

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest (continued)

The Company has determined that it has the following business model:

- Held-to-collect business model: this includes cash and cash equivalents and other receivables (excluding prepayments). These financial assets are held to collect contractual cash flows.

Financial assets - Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category other payables and redeemable ordinary shares.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability at initial recognition. When calculating the effective interest rate, the Company estimates the future cash flows considering all contractual terms of the financial instruments but not the future credit losses.

3. **Material accounting policies (continued)**

(i) Financial instruments (continued)

<u>*Impairment*</u>

The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and

- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Credit risk on a financial asset is assumed to have been increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default:

- when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising assets (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

3. Material accounting policies (continued)

(i) *Financial instruments (continued)*

Impairment (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer
- it is probable that the borrower will enter bankruptcy or other financial reorganisation
- the underlying project is put on hold
- breach of contract such as a default or being more than 90 days past due.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3. **Material accounting policies (continued)**

   (i) Financial instruments (continued)

   Financial liabilities

   The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

   On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

   Offsetting

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

   There is no offsetting of financial instruments applied as at reporting date in the statement of financial position.

   (j) Specific instruments

   Cash and cash equivalents

   Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

   Stated capital

   Ordinary shares

   Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

   Share premium

   When shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

3. **Material accounting policies (continued)**

(j) Specific instruments (continued)

Redeemable ordinary shares

Redeemable ordinary shares are classified as a liability if it is redeemable on a specific date at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in the statement of profit or loss and other comprehensive income as accrued.

Translation and other reserves

The translation reserve comprises of foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences.

4. **Critical accounting estimates and judgements**

Critical accounting judgements in applying the Company's accounting policies

The Company makes estimates and judgments that affect the reported amounts of assets and liabilities within the next year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgement areas

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising there on are dependent of the functional currency selected. As described in Note 2(c), the directors have considered those factors therein and have determined that the functional currency of the Company is USD.

Estimates and assumptions

Impairment of investment in joint venture

The carrying values of investment in joint venture are tested for impairment whenever there is any objective evidence or indication that the investments may be impaired. This determination requires significant judgement. In estimating the recoverable amount of the investment, the Company evaluates, amongst other factors, the future profitability of the joint venture, its financial health and near-term business outlook, including factors such as industry and sector performance, changes in technology, and operational and financing cash flows.

5. **Financial instruments – Fair values and risk management**

(a) *Accounting classifications and fair value*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in
the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2025	**Financial assets USD**	**Carrying amount Other financial liabilities USD**	**Total USD**
Financial assets not measured at fair value			
Other receivables	**414,502**	-	**414,502**
Cash and cash equivalents	**21,781**	-	**21,781**
	436,283	-	**436,283**
Financial liabilities not measured at fair value			
Advances from holding company	-	**50,000**	**50,000**
Other payables	-	**4,811**	**4,811**
	-	**58,411**	**58,411**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in
the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2024	Financial assets USD	Carrying amount Other financial liabilities USD	Total USD
Financial assets not measured at fair value			
Interest receivables	389,128	-	389,128
Cash and cash equivalents	235	-	235
	389,363	-	389,363
Financial liabilities not measured at fair value			
Advances from holding company	-	-	-
Other payables	-	8,294	8,294
	-	8,294	8,294

5. **Financial instruments – Fair values and risk management (continued)**

(a) Financial risk management

Introduction and preview

Financial instruments carried on the statement of financial position include other receivables, cash and cash equivalents, other payables and advance from holding company. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are market risk, credit risk and liquidity risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews their risk management policies and systems to reflect changes in markets and emerging best practice.

Risk management is carried out by the Board of directors through board meetings. The Company provide principles for overall risk management.

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant exposure to interest rate risk.

5. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

(ii) Currency risk

Currency risk is the risk that the Company might be exposed to exchange rates fluctuations arising from currencies other than the functional currency which might have a material impact on the Company's financial assets and liabilities which are denominated in these currencies. All of the Company's financial assets and liabilities are denominated in USD. Consequently, the Company is not exposed to the risk of foreign currency exchange rates.

Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions through companies within the group. At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	2025	2024
	USD	USD
Other receivables	**414,502**	389,128
Cash and cash equivalents	**21,781**	235
	436,283	389,363

Expected credit loss assessment

Cash and cash equivalents

The Company's policy is to maintain its cash balance with a reputed banking institution and to monitor the placement of cash balances on an ongoing basis. Due to the low credit risk of the counterparty, the expected credit loss (ECL) was considered to be immaterial. The carrying amount of financial assets represents the maximum credit exposure.

Impairment assessment

Other receivables

	2025	2024
	USD	USD
Other receivables	**414,502**	389,128
Impairment loss	**-**	-
Balance as at 31 March	**414,502**	389,128

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

5. **Financial instruments – Fair values and risk management (continued)**

(b) Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

31 March 2025	**Within one year USD**	**One to five years USD**	**Total USD**
Financial liabilities			
Other payables	**4,811**	-	**4,811**
Advance from holding company	**50,000**	-	**50,000**
	54,811	-	**54,811**

31 March 2024	Within one year USD	One to five years USD	Total USD
Financial liabilities			
Other payables	8,294	-	8,294
Advance from holding company	-	-	-
	8,294	-	8,294

6. **Revenue**

	2025	2024
Interest Income	**23,374**	44,471
Recharge income	**2,000**	-
	25,374	44,471

7. Taxation

The Company holds a Global Business Licence for the purpose of the Financial Services Act 2007 of Mauritius. The Company is liable to tax at the rate of 15% on all its income. Pursuant to the enactment of the Finance Act 2018, with effect since 01 January 2019, the deemed foreign tax credit has phased out since 01 July 2021. Any income derived prior 30 June 2021, will still be entitled to deemed foreign tax credit of 80% or actual foreign tax credit, whichever is the higher. Any income derived after 30 June 2021 will be subject to tax at the rate of 15% and would be entitled to either:

(a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability arising in Mauritius on such income, or

(b) a partial exemption of 80% applicable to specified income, including but not limited to foreign-source dividends or interest income, subject to the Company meeting the necessary substance requirements.

Further, the Company is exempted from income tax in Mauritius on profits or gains arising from the sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

A reconciliation of the actual income tax based on accounting profit and the actual income tax expense is as follows:

Total tax expense for the year:

	2025	2024
	USD	USD
Current year income tax	-	-

Reconciliation of effective taxation

	2025	2024
	USD	USD
Profit before taxation	**404**	30,643
Income tax at 15%	**60**	4,596
Non-taxable income	**-**	(750)
Tax losses (utilised)/ unutilised during the year	**(60)**	(3,846)
Income tax expenses	-	-

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

8. Investment in joint venture

Investment consists of unquoted shares

	2025 USD	2024 USD
Cost:		
At 01 April	-	10,000
Written off during the year	-	(5,000)
At 31 March	-	5,000
Share of loss of equity accounted investee		
At 01 April	-	(10,000)
Movement during the year	-	5,000
At 31 March	-	5,000
Carrying amount	-	-

9. Investments in subsidiary

Investments consist of both ordinary and preference shares in subsidiary

(a) Ordinary shares

	2025 USD	2024 USD
Cost		
At 01 April	**10,000**	10,000
Additions during the year	-	-
At 31 March	**10,000**	10,000

(b) Preference shares

	2025 USD	2024 USD
At 01 April		
Allotment during the year (from deposit on shares)	**22,850,000**	22,850,000
Acquisition during the year	**10,900,000**	-
At 31 March	**33,750,000**	22,850,000
Total investments in subsidiary (a+b)	**33,760,000**	22,860,000

0.1% redeemable cumulative preference shares of USD 1 each

Name of company - Subsidiaries	*Type of shares*	*Number of shares*	*2025 % held*	*2024 % held*	*Country of incorporation*
PDS Ventures Limited, Hong Kong	Ordinary	10,000	**100%**	100%	Hong Kong

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

10. **Other investment**

Investment consists of B-3 preferred stock of USD 1.21 each

	2025 USD	2024 USD
Cost:		
At 01 April	**250,000**	-
Additions during the year	-	250,000
At 31 March	**250,000**	250,000

Name of company	*Type of shares*	*Number of shares*	*% held*	*Country of incorporation*
Lukla Inc	Equity	206,409	0.2499	United States

11. **Other receivables**

	2025 USD	2024 USD
(a) Loan receivable		
At cost	**344,657**	344,657
Impairment of loan during the year	-	-
Net book value	**344,657**	344,657
Unsecured, interest free loan with no fixed repayment terms		
(b) Prepayments	**729**	728
(c) Interest Receivable	**67,845**	44,471
(d) Receivable from related party	**2,000**	-
	70,574	45,199
Total (a+b+c+d)	**415,231**	389,856

12. **Stated capital**

	2025 USD	2024 USD
Issued and fully paid:		
1,000,000 ordinary shares of USD 1 each	**1,000,000**	1,000,000
28,027,065 cumulative redeemable preference shares at USD 1 each	**28,027,065**	17,127,065
	29,027,065	18,127,065

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

13. **Share application monies**

	2025	2024
	USD	USD
Balance at 01 April	**6,600,000**	7,850,000
Shares allotted during the year	-	(1,500,000)
Addition during the year	-	250,000
Balance at 31 March	**6,600,000**	6,600,000

Share application monies consist of cumulative redeemable preference shares to Multinational Textile Group Limited.

14. **Advance from holding company**

Current liabilities	**2025**	2024
	USD	USD
Unsecured, interest free with no fixed term of repayment.	**50,000**	-

15. **Other payables**

	2025	2024
	USD	USD
Other payables	**350**	4,656
Accrued expenses	**4,461**	3,638
	4,811	8,294

PDS Ventures Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

16. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subject to common control.

One director of the Company is deemed to have beneficial interests in the Administration Agreement between the Company, the Administrator and Secretary.

During the year under review, the Company entered into the following related party transactions.

	Nature of transactions	**2025 USD**	2024 USD
Related parties:			
Transactions during the year			
Multinational Textiles Group Limited	Amount received	**50,000**	15,000
Multinational Textiles Group Limited	Recharge income	**2,000**	-
Multinational Textiles Group Limited	Amount paid	**-**	(627,065)
		=======	=======

	Nature of transactions	**2025 USD**	2024 USD
Related parties:			
Balances outstanding at 31 March:			
Digital Internet Technologies Limited	Amount receivable	**344,657**	344,657
Multinational Textiles Group Limited	Amount receivable	**2,000**	-
Multinational Textiles Group Limited	Amount payable	**50,000**	-
		=======	=======

17. Holding and ultimate holding company

The Company is a sub subsidiary of PDS Limited, a Company incorporated in Maharashtra, India. The ultimate holding Company is PDS Limited, a company incorporated in India with its shares listed on The National Stock Exchange of India Limited and Bombay Stock Exchange.

18. Events after the reporting date

There has been no significant event after the reporting date which in the opinion of the board of directors requires disclosure in the financial statements.

PDS VENTURES LIMITED

(Incorporated in Hong Kong with limited liability)

REPORT OF DIRECTORS

AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

FALCON
Certified Public Accountants
揮勤會計師事務所

PDS VENTURES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2025.

PRINCIPAL ACTIVITY

The Group was engaged in investment holding during the year ended 31 March 2025.

RESULTS AND DIVIDEND

The results of the Company and its subsidiaries ("the Group") for the year ended 31st March 2025 are set out in the statement of profit or loss and other comprehensive income on page 6.

The directors do not recommend payment of a dividend.

DIRECTORS

The directors of the Group during the financial year and up to the date of this report were:

Deepak Kumar Seth
Pallak Seth
Abhishekh Kanoi

In accordance with the Group's component company's articles of association, directors retire by rotation and being eligible, offer themselves for re-election.

PERMITTED INDEMNITY PROVISION

At no time during the financial year and up to the date of this director's report, were there any permitted indemnity provision in force for the benefit of one or more directors of the Company (whether made by the Company or otherwise) or an associated company (if made by the Company).

DIRECTOR'S INTERESTS

At no time during the financial year or at the end of the financial year was the Company, its parent company or fellow subsidiaries a party to any arrangements to enable the Company's directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

The directors had no material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which any of its holding companies or fellow subsidiaries were a party during the year.

MANAGEMENT CONTRACTS

The Company did not enter into any contract, other than the contracts of service with the directors or any person engaged in full-time employment of the Company, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Company.

AUDITOR

The financial statements have been audited by Falcon Certified Public Accountants Limited, who retire and being eligible, offer themselves for re-appointment.

APPROVAL OF THE DIRECTOR'S REPORT

The report was approved by the Board of Directors on 14th May 2025.

On behalf of the Board

Abhishekh Kanoi
Director
Hong Kong

Date: 14th May 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS VENTURES LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of PDS VENTURES LIMITED ("the Company") and its subsidiaries (together the "Group") set out on pages 6 to 29, which comprise the consolidated statement of financial position as at 31st March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31at March 2025, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. 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 HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the reports of the directors but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement 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 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.

We communicate with the directors 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.

Falcon Certified Public Accountants Limited
Certified Public Accountants
Hong Kong

Gilbert Loke
Practicing Certificate Number: P40176

Date: 14th May 2025

PDS VENTURES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Notes	2025 HK$	2024 HK$
Revenue		1,701,406	1,551,929
Cost of sales		(625,738)	(160,470)
Gross Profit		1,075,668	1,391,459
Other income	6	25,499	27,309
Distribution costs and selling expenses		(1,098,131)	(571,451)
Administrative expenses		(15,996,871)	(16,126,578)
Finance costs		(618,676)	(684,121)
Profit before tax		(16,612,511)	(15,963,382)
Share of loss of an Associate		(107,477)	(331,640)
Changes in fair value of financial assets as Fair Value through profit or loss		13,812,023	(1,499,127)
PROFIT / (LOSS) BEFORE TAXATION	7	(2,907,965)	(17,794,149)
INCOME TAX EXPENSE	8	-	-
PROFIT / (LOSS) BEFORE TAXATION		(2,907,965)	(17,794,149)
OTHER COMPREHENSIVE INCOME Other comprehensive income that will not be reclassified to profit or loss in subsequent period: Changes in fair value of financial assets at fair value through other comprehensive income		(29,997,703)	33,210,643
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**(32,905,668)**	**15,416,494**
Profit / (loss) attributable to :			
Owners of the parent		315,430	(14,275,525)
Non-controlling interest		(3,223,395)	(3,518,624)
		(2,907,965)	**(17,764,149)**
Total comprehensive income / (loss) attributed to:			
Owners of the parent		(26,888,967)	(2,675,919)
Non-controlling interest		(3,108,736)	18,092,413
		(29,997,703)	**15,416,494**

The accounting policies and explanatory notes on pages 10 to 29 form part of these financial statements.

PDS VENTURES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Notes	2025 HK$	2024 HK$
ASSETS			
Non-current assets			
Goodwill		5,357,879	5,357,879
Intangible assets – design cost in development		6,648,078	7,259,033
Property, plant, and equipment		1,488,094	2,092,907
Right of use assets		5,436,280	6,954,257
Investment in an associate	12	1,087,652	1,195,129
Financial assets at the fair value through other comprehensive income	10a	188,971,240	201,821,432
Financial assets measured at the fair value through profit or loss	10b	77,010,916	53,329,543
		286,000,139	278,010,180
Current assets			
Inventories		112,727	24,416
Trade receivables		230,826	318,818
Prepayments, deposits & other receivables		3,681,646	5,114,267
Cash and cash equivalents		2,390,331	237,458
		6,415,529	5,694,959
TOTAL ASSETS		**292,415,669**	**283,705,139**
EQUITY AND LIABILITIES			
Equity / (Deficiency)			
Share capital	18	262,652,800	177,850,800
Reserves		(2,370,580)	24,330,105
		260,282,220	202,180,905
Non-Controlling interest		10,328,209	16,660,340
Total equity / (deficiency)		270,610,428	218,841,245
Non Current Liabilities			
Lease Liabilities		5,164,498	6,350,735
Current Liabilities			
Amount due to a fellow subsidiary	9	14,288,728	56,068,772
Amount due to a related company			
Trade Payables		342,557	973,087
Other payables and accruals		1,223,120	411,204
Lease liabilities - current		786,338	1,060,096
Total liabilities		21,805,240	64,863,894
TOTAL EQUITY AND LIABILITIES		**292,415,669**	**283,705,139**

The notes on pages 10 to 29 form part of these financial statements.

Approved by the Board of Directors on 14th May 2025 and are signed on its behalf by:

Abhishekh Kanoi
Director

Pallak Seth
Director

PDS VENTURES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Fair value reserve of financial assets through other comprehensive income	Accumulated losses	Exchange Reserve	Total	Non-controlling interest (NCI)	Total Equity
	HK$	HK$	HK$		HK$	HK$	HK$
Balance at 1 April 2023	177,850,800	18,626,305	(5,686,097)	(7,123)	190,783,885	12,598,628	203,382,513
Profit / (Loss) for the year			(14,275,525)		(14,275,525)	(3,518,624)	(17,794,149)
Exchange reserve				25,765	25,765	16,473	42,238
Other comprehensive income for the year:							
Changes in the fair value of financial assets at fair value through other comprehensive income		25,646,780			25,646,780	7,563,863	33,210,643
Balance at 31 March 2024 and 1 April 2024	177,850,800	44,273,084	(19,961,622)	18,642	202,180,904	16,660,340	218,841,245
0.1% Redeemable preference shares	84,802,000				84,802,000		84,802,000
Profit / (Loss) for the year			315,430		315,430	(3,223,394)	(2,907,964)
Exchange reserve				(127,150)	(127,150)		(127,150)
Other comprehensive income for the year:							
Changes in the fair value of financial assets at fair value through other comprehensive income		(26,888,967)			(26,888,967)	(3,108,736)	(29,997,703)
Balance at 31 March 2025	**262,652,800**	**17,384,118**	**(19,646,192)**	**(108,508)**	**260,282,218**	**10,328,210**	**270,610,428**

The notes on pages 10 to 29 form part of these financial statements.

PDS VENTURES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025 (HK$)	2024 (HK$)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss)before taxation	(2,907,965)	(17,794,149)
Adjustments for:		
Bank interest income	(798)	(608)
Interest - others	650,009	534,208
Depreciation	2,327,422	2,899,511
Share of loss of associate	107,477	331,640
Changes in fair value of financial assets at fair value through profit & loss	(13,812,023)	1,499,127
	(13,635,878)	(12,530,271)
Changes in amount due from a related company	-	8,325,503
Changes in trade & other receivables	1,520,613	(3,222,656)
Changes in inventories	(88,311)	74,427
Changes in amount due to immediate holding co.	349,576	22,888,763
Changes in amount due to related co.	(42,129,620)	6,306,837
Changes in accruals & payables	811,916	886,850
Changes in intangible assets	(630,530)	-
Changes in lease liabilities	(273,758)	1,060,096
Changes in exchange reserve	(114,778)	42,238
Net cash generated from operating activities	(54,190,770)	23,829,787
Interest received	798	608
NET CASH FROM OPERATING ACTIVITIES	(54,189,972)	23,830,395
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of assets (including lease)	(3,252)	(9,167,500)
Purchase of financial assets at fair value through OCI	(17,147,510)	(9,429,451)
Purchase of financial assets at fair value through P&L	(9,900,684)	(10,146,390)
Change in PPE - ROU	397,204	(4,835,961)
NET CASH USED IN INVESTING ACTIVITIES	(26,654,242)	(33,582,301)
NET CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	84,802,000	-
Increase in long term borrowing	(1,186,237)	6,350,735
Interest on long term borrowing	(618,676)	(503,198)
NET CASH FROM/ (USED IN) FINANCING ACTIVITIES	82,997,087	5,847,537
NET (DECREASE) IN CASH & CASH EQUIVALENTS	2,152,873	(3,904,369)
CASH & CASH EQUIVALENT AT BEGINNING OF YEAR	237,458	4,141,828
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,390,331	237,458
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	2,390,331	237,458

The notes on pages 10 to 29 form part of these financial statements.

1. General information

PDS VENTURES LIMITED ("the Company") is a company incorporated in Hong Kong with limited liability. The Company's registered office and its principal place of business is located at 7/F, Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Hong Kong.

The principal activity of the Company was engaged in investment holding.

The financial statements are prepared in Hong Kong dollars, which is also the functional currency of the Company.

As at 31 March 2025, the Company is a subsidiary of PDS Ventures Limited, a company incorporated in Mauritius. In the opinion of the directors of the Company, PDS Limited, a company incorporated in India with shares listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, is the Company's ultimate holding company.

2. Basis of preparation and accounting policies

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ["HKASs"] and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ["HKICPA"], and accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance (Cap 622.). Significant accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Company. Note 3 provides information on changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Company for the current and prior accounting periods reflected in these consolidated financial statements.

3. Application of new and revised Hong Kong Financial Reporting Standards (HKFRS)

(a) HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the company.

HKAS 1	Classification of liabilities as Current or Non-Current Liabilities (Amendments)
HKAS 16	Lease liability in Sale and Leaseback (Amendments)
HK Interpretation 5 (Revised)	Presentation of Financial Statements- Classification by the Borrower of a term loan that contains a repayment on demand clause (Amendments)
HKAS 7 and HKFRS 7	Supplier Finance Arrangements (Amendments)

3 Application of new and revised Hong Kong Financial Reporting Standards (HKFRS) (contd.)

(b) New and amended standards issued but not yet effective

The Company has not applied early, the new and revised HKFRSs that have been issued but not yet effective for the financial year beginning on 1 April 2024. These new and revised HKFRSs include the following which may be relevant to the Company.

	Effective for accounting periods beginning on or after
HKSA 21 and HKFRS 21 (amendments) Lack of exchangeability	1 January 2025
HKFRS 9 and HKFRS 7 Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 (amendments) Subsidiaries without Public Accountability	1 January 2027
HKSA 21 (amendments) Lack of exchangeability	1 January 2025
HKFRS 10 and HKAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	to be determined

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has been concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

4. Significant Accounting Policies

These consolidated financial statements are presented in Hong Kong dollars ("HK$") and have been prepared under the historical cost convention except for financial assets at fair value through other comprehensive income which have been measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set our below.

4 Significant Accounting Policies (contd.)

(a) Subsidiaries and non-controlling interest

Subsidiaries are entities controlled by the group. Control exists when the group has the power to govern the financial and operating policies of an entity in order to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intragroup transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are now owned, directly or indirectly through subsidiaries, by the company.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. Non-controlling interests in the results of the group are presented separately on the face of the consolidated financial statements.

In the Company's statement of financial position, the investment in subsidiaries is stated at cost less provision for impairment loss. The results of the subsidiaries are accounted for by the Company based on dividends received and receivable.

(b) Foreign currency translation

These consolidated financial statements are presented in HK$, which is the Company's functional currency. Foreign currency transactions are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

(c) Fair value measurement

The Company measures its financial assets at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer of liability takes place either in a principal market, or in absence of a principal market for the asset or liability, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using assumptions the market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

4 Significant Accounting Policies (contd.)

.(c) Fair value measurement (contd.)

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - based on quoted (unadjusted) in active markets for identical assets or liabilities

Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, either directly or indirectly

Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(d) Related parties

A party is considered to be related to the Company if:

i. the party is a person or a close member of that person's family and that person
   1. has control or joint control over the Company;
   2. has significant influence over the Company; or
   3. is a member of the key management personnel of the Company or of a parent of the Company; or

ii. the party is an entity where any of the following conditions applies:
   1. the entity and the Company are members of the same group;
   2. one entity is an associate or joint venture of the other entity (or of a parent, subsidiary, or fellow subsidiary of the entity)
   3. the entity and the Company are joint ventures of the same third party;
   4. one entity is a joint venture of a third entity, and the other entity is an associate of the third entity;
   5. the entity is a post-employment benefit plan for the benefit of the employees of either the Company or an entity related to the Company.
   6. the entity is controlled or jointly controlled by a pension identified in (i);
   7. a person identified in (i)(1) has significant influence over the entity or is a member of the

4 Significant Accounting Policies (contd.)

.(d) Related parties (contd.)

key management personnel of the entity (or of a parent of the entity); and

8. the entity or any member of a group of which it is a part provides key management personnel services to the Company or to the parent of the Company.

(e) Associates and joint ventures

An associate is an entity in which the group or company has significant interest, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the group or company and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded as cost, adjusted for any excess of the group's share of acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the group's share of the investee's net assets and any impairment loss relating to the investment. At each reporting date, the group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the group's share of the post-acquisition, post-tax results of the investees and impairment losses for the year are recognized in the consolidated statement of profit or loss, whereas the group's share of the post-acquisition post-tax items of the investee's other comprehensive income is recognized in the consolidated statement of profit or loss and other comprehensive income.

When the group's share of losses exceeds its interest in the associate or the joint venture, the group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the group's net investment in the associate or the joint venture, after applying the ECL model to such other long-term interests where applicable.

Unrealised profits and losses resulting from transactions between group and its associates and joint ventures are eliminated to the extent of the group's interest in the investee, except where unrealised losses provided evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In the company's statement of financial position, investments in associates and joint venture are stated at cost less impairment losses, unless classified as held for sale (or included in a disposal group that is classified as held for sale).

4 Significant Accounting Policies (contd.)

(f) Goodwill

Goodwill represents the excess of:

I. The aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the group's previously held equity interest in the acquire; over;

II. The net fair value of the acquiree's identifiable assets and liabilities measured as the acquisition date.

When (II) is greater than (I), then this excess is recognized immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated as cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment.

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(g) Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost and fair value through other comprehensive income.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient of not adjusting the effect of a significant financing component, or for which the Company has applied the practical expedient of not adjusting the effect of a significant financing component, the Company initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transactions costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest in the principal amount outstanding.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

4 Significant Accounting Policies (contd.)

(g) Investments and other financial assets (contd.)

All regular way of purchases and sales of financial assets are recognised on the trade date, that is, the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales are purchases or sales of financial assets require delivery of assets within the year generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognized, modified, or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably, except when the Company benefits from such gains are recorded in the other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

(h) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4 Significant Accounting Policies (contd.)

(h) Derecognition of financial assets (contd.)

When the Company has transferred its rights to receive cash flows from the asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognised and associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(i) Impairment of financial assets

The Company recognises as allowance for the expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the differences between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rates. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For the credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risks of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4 Significant Accounting Policies (contd.)

. (i) Impairment of financial assets (contd.)

Financial assets at amortized cost are subject to impairment under the general approach and then are classified within the following stages for measurement of ECLs as detailed below:

Stage 1	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.
Stage 2	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.
Stage 3	Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

(j) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement of loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in profit or loss.

(k) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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,

4 Significant Accounting Policies (contd.)

(k) Derecognition of financial liabilities (contd.)

such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

(l) Offsetting of financial instruments

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

(m) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Company's cash management. For the purpose of the statement of financial positions, cash and cash equivalents comprise cash at bank, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

(n) Income tax

Income tax comprised current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Company operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary difference while deferred tax assets are recognised for all deductible temporary difference, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilized.

4 Significant Accounting Policies (contd.)

. (n) Income Tax (contd.)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be utilized. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Company has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority on the same taxable entity which intend either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(o) Revenue recognition

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amounts of the financial asset.

5. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty
Fair value measurement of financial instruments
When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair values are determined using valuation techniques including the use of comparable recent arm's length transactions and other valuation techniques commonly used by other market participants. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements and estimates include consideration of inputs such as revenue multiples and discount rate. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6. Other Income

	2025 HK$	2024 HK$
Bank interest income	798	608
Foreign exchange gain, net	-	26,701
Marketing fees received	24,702	-
	25,499	27,309

7. Profit / (Loss) before taxation

The Group's profit / (loss) before tax is arrived at after charging / (crediting):

	2025 HK$	2024 HK$
Crediting:		
Foreign exchange gain, net	274,217	26,701
Changes in fair value of the financial assets at fair value profit & loss	13,812,023	(1,499,127)
Charging:		
Auditor's remuneration	90,800	461,559
Share of loss of associate	107,477	331,640

8. Income Tax Expense

No provision for Hong Kong Profits Tax has been made as the Company did not generate any assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdiction in which the Group operates (2024: Nil).

	2025 HK$	2024 HK$
Current charge for the year		
Hong Kong	-	-
Overseas	-	-
Tax charge / (credit) for the year	-	-

A reconciliation of the tax applicable to profit / (loss) before tax at the statutory tax rates for the jurisdictions in which the Company and its subsidiaries are domiciled to the tax charge / (credit) at the Group's effective tax rate is as follows:

	Hong Kong HK$	Others HK$	Total HK$
Profit / (loss) before tax	5,135,719	(8,043,683)	(2,907,965)
Tax at statutory tax rate	847,394	(2,010,921)	(1,163,527)
Tax effect of income that is not subject to tax	(2,279,115)	(425,352)	(2,704,467)
Tax effect of expenses not deductible	1,431,721	2,436,273	3,867,994
Tax charge / (credit) for the year	-	-	-

9. Related party balances

In addition to the transactions disclosed elsewhere in these financial statements, during the year, the Group had the following balances with related parties

	2025 HK$	2024 HK$
Due to		
Norwest Industries Limited	13,508,964	55,350,628
PDS Ventures Ltd.	527,836	178,260
PDS Fashions Ltd.	251,928	539,884
	14,288,728	56,068,772

10. Financial assets

	2025 HK$	2024 HK$
(a) Financial assets at fair value through other comprehensive income		
Non-current assets		
Unlisted investments, at fair value	188,971,240	201,821,432
(b) Financial assets at fair value through profit or loss		
Non-current assets		
Unlisted investments, at fair value	77,010,916	53,329,543
	265,982,156	255,150,975

11. Investment in subsidiaries

Unlisted shares at cost	2025 HK$	2024 HK$
Apex Black Ltd.	50,570	50,570
Upcycle Labs Ltd.	7,768,444	7,768,444
	7,819,014	7,819,014

At the year end, the Company had an investment in the following subsidiaries:

Name	Place / Country of incorporation / registration	Proportion of nominal value of issued (Directly)	Principal activities
Apex Black Limited	Hong Kong	65%	Investment
Upcycle Labs Limited	United Kingdom	61%	Other professional, scientific, and technical activities

The balance with subsidiaries is unsecured, interest-free, and repayable on demand.

12. Investment in associate

Carrying amount, the Group's interest in an associate that are measured under equity method is set out below:

	2025 HK$	2024 HK$
Unlisted investments	1,087,65	1,195,129

At the year end, the Group had an investment in the following associate:

Name	Place / Country of incorporation / registration	Proportion of nominal value of issued capital *(Directly)*	Principal Activities
Loop Digital Wardrobe Ltd.	United Kingdom	40%	Other business support services activities

13. Financial instruments by category

Other than financial assets at fair value through other comprehensive income or through profit or loss as disclosed in note 10 to the consolidated financial statements, which were classified as financial assets at fair value, all financial assets, and liabilities of the Group as at 31 March 2025 and 2024, were stated at amortised cost.

The financial liabilities of the Group comprise accruals and amounts due to related companies which are categorised as financial liabilities at amortised cost. The carrying amounts of these financial liabilities are the amounts shown on the statement of financial position or in the notes to the consolidated financial statements.

14. Fair value and fair value hierarchy of financial instruments

Management has assessed the fair values of cash and cash equivalents, an accrual and balances with the immediate holding company, a related company, a director, and fellow subsidiaries approximated to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amounts at which the instruments could be exchanged in current transactions between the parties, other than in forced or liquidation sales transactions. The fair value of unlisted investment at fair value through other comprehensive income are based on most recent transaction prices. The directors believe that the estimated fair value resulting therefrom, which is recorded in the statement of profit or loss, are reasonable, and that it was the most appropriate value at the end of the reporting period.

Assets measured at fair value:
As at 31 March 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) **HK$**	Significant observables inputs (Level 2) **HK$**	Significant unobservable inputs (Level 3) **HK$**	Total **HK$**
Financial assets at fair value through other comprehensive income			188,971,240	188,971,240
Financial assets measured at fair value through profit or loss			77,010,916	77,010,916
			265,982,156	**265,982,156**

The movements in fair value measurements within Level 3 during the year are as follows:

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss
	HK$	**HK$**
At 1 April 2024	201,821,346	53,329,543
Financial assets acquired		
Purchases	18,135,656	11,534,484
Disposals	(988,060)	(1,665,134)
Total gains recognised	(29,997,703)	13,812,023
At 31 March 2025	188,971,240	77,010,916

The Group did not have any financial liabilities measured at fair value as at 31st March 2025 and 31st March 2024. During the year, there were no transfers of fair value measurements between Level 1 and Level 2 for the financial assets (2024: Nil).

15. Financial risk management objectives and policies

The Group's exposure to credit risk and liquidity risk arises in the normal course of its business. These risks are managed by the Company's financial management policies and practices described below:

Credit risk

The Group's cash and cash equivalents are held in a major financial institution, which management believes are of high credit quality.

Maximum exposure and year-end staging

The credit quality and the maximum exposure to credit risk based on the Group's credit policy is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March 2025 and 2024.

The maximum exposure of the Group's financial assets, which comprise other receivables, prepayment, deposits, cash and cash equivalents, equal to the aggregate carrying amount to these instruments.

Cash and cash equivalents are classified within Stage I and their loss allowance are measured at an amount equal to 12-month ECIs.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of working capital deemed adequate and maintains a balance between continuity and flexibility of funding from group companies.

The Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, are either repayable on demand or are repayable within three months subsequent to the end of the reporting period.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise the shareholder's value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new shares. No changes were made in the objectives, policies, or processes for managing capital during the years ended 31 March 2025 and 2024.

16. Goodwill

	Notes	2025	2024
		HK$	HK$
Acquisition and at 1st April, at cost		5,357,879	5,357,879
Less: accumulated impairment losses		-	-
Carrying amount		5,357,879	5,357,879

17. Statement of financial position of the company

	Notes	2025 HK$	2024 HK$
ASSETS			
Non-current assets			
Property, Plant and Equipment		6,285	11,317
Investment in subsidiaries	11	7,819,014	7,819,014
Investment in an associate	12	1,087,652	1,195,129
Financial assets at fair value through other comprehensive income		124,312,477	132,373,633
Financial assets at fair value through profit or loss		70,754,310	49,340,910
		203,979,738	190,740,003
Current assets			
Prepayments		57,612	118,082
Other receivables		2,416,726	2,918,482
Bank and cash balances		2,026,349	36,798
		4,500,688	3,073,362
Total assets		**208,480,426**	**193,813,365**
EQUITY AND LIABILITIES			
Equity / (Deficiency)			
Share capital	18	262,652,800	177,850,800
Reserves	19	(20,378,726)	(4,434,165)
Total equity / deficiency		242,272,074	173,416,635
Current liabilities			
Other payables		29,650	40,069
Accruals		130,780	72,876
Amount due to fellow subsidiaries		(33,954,078)	20,283,785
Total liabilities		(33,793,078)	20,396,730
Total equity and liabilities		**208,480,426**	**193,813,365**

Approved by the Board of Directors on 13 May 2025 and are signed on its behalf by:

Abhishekh Kanoi
Director

Pallak Seth
Director

18. Share Capital

	2025		2024	
	Number of shares	Amount HK$	Number of shares	Amount HK$
Ordinary shares, issued and fully paid:	10,000	77,800	10,000	77,800
Preference shares				
0.1% redeemable cumulative preference shares, issued and fully paid:	33,750,000	262,575,000	22,850,000	177,773,000
	33,760,000	262,652,800	22,860,000	177,850,800

19. Movement in the reserves of the company

	Retained earnings HK$
At 1 April 2023	(7,538,081)
Profit for the year	(8,495,689)
Other comprehensive income that will not be reclassified to profit or loss in subsequent period:	
Changes in fair value of financial assets at fair value through other comprehensive income	11,599,606
At 31 March 2024 and 1 April 2024	(4,434,164)
Profit for the year	5,171,037
Other comprehensive income that will not be reclassified to profit or loss in subsequent period:	
Changes in fair value of financial assets at fair value through other comprehensive income	(21,115,599)
At 31 March 2025	(20,378,726)

20. Property, Plant, and Equipment

	Leasehold Improvement	Furniture & Fixtures	Office Equipments	Total
	HK$	HK$	HK$	HK$
Cost				
As at 31/03/2024	621,555	2,467,157	124,633	3,213,345
Exchange adjustments	10,931	44,557	790	56,278
Additions		11,275	10,209	21,484
Disposals		(74,510)		(74,510)
As at 31/03/2025	632,486	2,448,479	135,632	3,216,597
Accumulated Depreciation				
As at 31/03/2024	210,059	939,461	32,030	1,181,550
Charge for the year	102,516	501,452	38,657	642,625
Disposals		(74,510)		(74,510)
Exchange adjustments	4,783	(40,944)	14,999	(21,162)
As at 31/03/2025	317,358	1,325,458	85,686	1,728,503
Carrrying Amount				
As at 31/03/2025	315,128	1,123,020	49,946	1,488,094
As at 31/03/2024	411,497	1,603,905	77,505	2,092,907

21. Approval of the consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the board of directors on 14 May 2025.

Company registration number 11446095 (England and Wales)

PDS FASHIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

PDS FASHIONS LIMITED

COMPANY INFORMATION

Directors	Mr Pallak Seth	
	Mr Abhishekh Kanoi	
	Mr Manish Kumar Arora	
	Mr Roland Seregi	
	Mr Bhavesh Shah	(Appointed 9 May 2025)
Company number	11446095	
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW	

PDS FASHIONS LIMITED

CONTENTS

PDS FASHIONS LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

1. Purpose and Scope

The Company acts as an internal service provider exclusively for fellow subsidiaries within the PDS Limited group. This report fulfils statutory requirements to inform shareholders about the Company's performance, position, risks, and outlook within this context.

2. Business Model and Activities

The Company's business model is centred on providing specialised business support and advisory services to the fellow PDS Group entities. Key services provided include:

Providing strategic insights and guidance for managing growth, market positioning, and market expansion techniques.

Assisting in undertaking potential risk and opportunity analysis.

Supporting the analysis of business opportunities, including review of business prospects, financial records, and projections.

Assisting with identification of plausible global clients and projects for group entities.

Assisting with stakeholder management activities.

Providing support in valuation, due diligence, and integration for potential transactions.

Engaging third-party consultants as necessary for service delivery.

Any other mutually agreed ancillary support activities.

The Company leverages expertise and resources to enhance the strategic and operational capabilities of the PDS Group's trading entities.

3. Strategy

The Company's strategy is to be a valued and effective internal advisory unit, directly supporting the PDS Group's overall strategic goals by providing high-quality, timely, and relevant insights and support services to fellow subsidiaries. Strategic focus areas include enhancing the scope and depth of advisory services offered and ensuring efficient delivery.

4. Performance Review

Financial Performance:

Financial performance reflects the provision of services to fellow subsidiaries.

Turnover (intercompany service revenue): £12,764,828 (2024: £8,031,649). This increase is due to the fact of PDS expansion to new geographic areas.

Loss for the year: £681,406 (2024: £589,557).

The company's key performance indicator is measured by reference to maintaining growth in turnover.

Business Development:

Developments focused on enhancing internal service delivery, such as supporting key group strategic projects.

5. Position at Year-End

At 31st March 2025, the Company's financial position showed total net liability of £1,013,110 (2024: £369,639). The balance sheet primarily reflects the acquisition of a freehold property purchased in December 2023 and put in use in January 2025. The Company's financial stability is supported by the parent company.

Principal risks and uncertainties

Key risks and uncertainties
Principal risks relate to the Company's function as an internal service provider:

Reliance on Group Demand: Activity levels depend on the needs of fellow subsidiaries.

Quality of Service: Ensuring the advice and support provided are consistently high-quality and impactful.

Talent Retention: Retaining the necessary expertise within the advisory team.

Indirect External Impact: While not directly exposed, the demand for services is indirectly influenced by external market conditions affecting the wider PDS Group.

Management mitigates these by maintaining close group relationships, focusing on talent development, and ensuring robust internal processes.

Future Prospects

The Company's future prospects are tied to supporting the PDS Group's continued growth and strategic evolution. The focus remains on providing high-value advisory services and adapting to the group's changing requirements, contributing to its overall success.

Other business review

- *Environmental policy*

The company recognises the importance of environmental responsibilities and where practical has an environmental policy in place which includes challenging sustainability agenda including increased trading of responsibly sourced garments and recycling of paper and all office materials. The directors believe the nature of its activities has a minimal effect on the environment.

- *Health and safety*

The company recognises the importance of safeguarding the health, safety and welfare of its employees and has a health and safety policy in place. Regular updates are communicated to all employees.

-*Employees*

The company aims to ensure that the employees work in a safe and healthy environment. The company encourages the workforce to be involved by providing appropriate training, learning and career development programmes. It is also making information available to employees through the medium of frequent staff meetings, together with personal appraisals and feedback sessions.

On behalf of the board

Roland Seregi
....
Mr Roland Seregi
Director

Date: 09/05/2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company is the provision of management and consultancy services.

Results and dividends
The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Pallak Seth	
Mr Abhishekh Kanoi	
Mr Manish Kumar Arora	
Mr Roland Seregi	
Mr Bhavesh Shah	(Appointed 9 May 2025)

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The directors confirm that, having reviewed the company's forecasts, they consider that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

Roland Seregi
....
Mr Roland Seregi
Director

Date: 09/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS FASHIONS LIMITED

Opinion
We have audited the financial statements of PDS Fashions Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PDS FASHIONS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PDS FASHIONS LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Date: 10/05/2025

Chartered Accountants
Statutory Auditor

PDS FASHIONS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	**3**	12,764,828	8,031,649
Administrative expenses		(14,225,246)	(8,902,780)
Other operating income		1,099,953	327,672
Operating loss	**4**	(360,465)	(543,459)
Investment income	**7**	104	6,143
Finance costs	**8**	(321,045)	(52,241)
Loss before taxation		(681,406)	(589,557)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(681,406)	(589,557)

The income statement has been prepared on the basis that all operations are continuing operations.

PDS FASHIONS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Non-current assets					
Intangible assets	**9**		6,205		678
Property, plant and equipment	**10**		16,618,104		599,383
Investment property	**11**		-		9,149,579
			16,624,309		9,749,640
Current assets					
Trade and other receivables	**12**	6,199,579		2,262,005	
Cash and cash equivalents		92,303		113,065	
		6,291,882		2,375,070	
Current liabilities	**13**	(16,147,810)		(12,169,164)	
Net current liabilities			(9,855,928)		(9,794,094)
Total assets less current liabilities			6,768,381		(44,454)
Non-current liabilities	**13**		(7,781,491)		(325,185)
Net liabilities			(1,013,110)		(369,639)
Equity					
Called up share capital	**19**		875,000		875,000
Share-based payment reserves	**20**		157,916		119,981
Retained earnings			(2,046,026)		(1,364,620)
Total equity			(1,013,110)		(369,639)

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 09/05/2025 and are signed on its behalf by:

Roland Seregi
....
Mr Roland Seregi
Director

Company registration number 11446095 (England and Wales)

PDS FASHIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Share-based payment reserves	Retained earnings	Total
	£	£	£	£
Balance at 1 April 2023	875,000	72,140	(775,063)	172,077
Year ended 31 March 2024:				
Loss and total comprehensive income	-	-	(589,557)	(589,557)
Transactions with owners:				
Transfer to other reserves	-	47,841	-	47,841
Balance at 31 March 2024	875,000	119,981	(1,364,620)	(369,639)
Year ended 31 March 2025:				
Loss and total comprehensive income	-	-	(681,406)	(681,406)
Transactions with owners:				
Transfer to other reserves	-	37,935	-	37,935
Balance at 31 March 2025	875,000	157,916	(2,046,026)	(1,013,110)

PDS FASHIONS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**25**		296,219		9,467,449
Interest paid			(321,045)		(52,241)
Net cash (outflow)/inflow from operating activities			(24,826)		9,415,208
Investing activities					
Purchase of intangible assets		(6,544)		-	
Purchase of property, plant and equipment		(6,466,781)		(49,241)	
Purchase of investment property		-		(9,149,579)	
Loans made to other entities		(50,760)		-	
Interest received		104		6,143	
Net cash used in investing activities			(6,523,981)		(9,192,677)
Financing activities					
Proceeds from new bank loans		6,921,446		-	
Payment of lease liabilities		(393,648)		(250,708)	
Net cash generated from/(used in) financing activities			6,527,798		(250,708)
Net decrease in cash and cash equivalents			(21,009)		(28,177)
Cash and cash equivalents at beginning of year			113,045		141,222
Cash and cash equivalents at end of year			92,036		113,045
Relating to:					
Bank balances and short term deposits			92,303		113,065
Bank overdrafts			(267)		(20)

1 Accounting policies

Company information

PDS Fashions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- for financial instruments and investment property measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 24.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due.

1.3 Revenue

Revenue is measured at the fair value of the management charges received or receivable.

1 Accounting policies **(Continued)**

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software - 3 years straight line
Patents & licenses - 3 years straight line

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Leasehold land and buildings	Over the term of the lease
Property Improvements	15 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the black scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

The ultimate parent company PDS Limited has issued share options to certain directors and employees. These are measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the Black - Scholes option pricing model. The fair value will be charged as an expense in the profit or loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently 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 of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

1 Accounting policies **(Continued)**

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

When the company acts as a lessor, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees, over the major part of the economic life of the asset. All other leases are classified as operating leases. If an arrangement contains lease and non-lease components, the company applies IFRS 15 to allocate the consideration in the contract. When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately, classifying the sub-lease with reference to the right-of-use asset arising from the head lease instead of the underlying asset.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

Valuations of lease liability & right-of-use asset

The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities and the right-of-use assets. These include determining the interest rate used for discounting of future cashflows. The present value of the lease payment is determined using the discount rate representing the company's incremental borrowing rate.

Share-based payments

The Group operates an employee compensation scheme, settled in equity. The fair value of equity-settled share-based payment arrangements requires significant judgement in the determination of the valuation of options, or the assumptions regarding vesting conditions being met, which will affect the expense recognised during the period.

These assumptions include the future volatility of the Parent's share price, future dividend yield and the rate at which awards will lapse or be forfeited. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. The fair value attributed to the awards, and hence the charge made in the income statement, could be materiality affected should different assumptions be made to those applied by the Group. Details of these assumptions are set out in note 12. The Group uses a professional valuer in the determination of the fair value of options at grant date.

3 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Recharges to group companies	12,764,828	8,031,649

4 Operating loss

Operating loss for the year is stated after charging/(crediting):	2025 £	2024 £
Exchange losses/(gains)	23,432	(222,046)
Fees payable to the company's auditor for the audit of the company's financial statements	14,800	13,750
Depreciation of property, plant and equipment	621,324	327,436
Amortisation of intangible assets (included within administrative expenses)	1,017	581
Share-based payments	36,144	47,841

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
	134	93

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	9,527,882	5,861,722
Social security costs	1,147,249	702,493
Pension costs	141,616	244,332
	10,816,747	6,808,547

6 Directors' remuneration

	2025 £	2024 £
Remuneration for qualifying services	633,839	447,041
Company pension contributions to defined contribution schemes	2,642	2,642
	636,481	449,683

6 Directors' remuneration (Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2024 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2025	2024
	£	£
Remuneration for qualifying services	444,413	436,263
Company pension contributions to defined contribution schemes	1,321	1,321

7 Investment income

	2025	2024
	£	£
Interest income		
Other interest income	104	6,143

8 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	155,665	26,130
Interest on lease liabilities	48,130	24,762
Interest on other loans	117,250	1,349
	321,045	52,241

9 Intangible fixed assets

	Software	Patents & licences	Total
	£	£	£
Cost			
At 31 March 2024	12,655	2,905	15,560
Additions	-	6,544	6,544
At 31 March 2025	12,655	9,449	22,104
Amortisation and impairment			
At 31 March 2024	12,655	2,227	14,882
Charge for the year	-	1,017	1,017
At 31 March 2025	12,655	3,244	15,899
Carrying amount			
At 31 March 2025	-	6,205	6,205
At 31 March 2024	-	678	678

10 Property, plant and equipment

	Freehold land and buildings	Leasehold land and buildings	Property Improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	-	1,341,179	155,254	31,314	81,218	1,608,965
Additions	9,491,102	1,023,685	5,487,234	564,489	73,535	16,640,045
At 31 March 2025	9,491,102	2,364,864	5,642,488	595,803	154,753	18,249,010
Accumulated depreciation and impairment						
At 1 April 2024	-	799,843	154,598	30,631	24,510	1,009,582
Charge for the year	12,924	437,180	119,541	15,564	36,115	621,324
At 31 March 2025	12,924	1,237,023	274,139	46,195	60,625	1,630,906
Carrying amount						
At 31 March 2025	9,478,178	1,127,841	5,368,349	549,608	94,128	16,618,104
At 31 March 2024	-	541,336	656	683	56,708	599,383

10 Property, plant and equipment (Continued)

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2025	2024
	£	£
Net values at the year end		
Property	1,127,841	541,336
Total additions in the year	1,023,685	441,954
Depreciation charge for the year		
Property	437,180	275,418

11 Investment property

	2025
	£
Cost	
At 1 April 2024	9,149,579
Additions	196,106
Other transfers	(9,345,685)
At 31 March 2025	-

12 Trade and other receivables

	2025	2024
	£	£
VAT recoverable	1,125,074	78,511
Amounts owed by fellow group undertakings	4,215,704	1,620,175
Other receivables	776,280	434,302
Prepayments and accrued income	82,521	129,017
	6,199,579	2,262,005

13 Liabilities

		Current		Non-current	
		2025	2024	2025	2024
	Notes	£	£	£	£
Borrowings	14	267	20	6,921,446	-
Trade and other payables	15	13,221,395	11,731,646	-	-
Taxation and social security		2,583,162	189,689	-	-
Lease liabilities	16	342,986	247,809	860,045	325,185
		16,147,810	12,169,164	7,781,491	325,185

14 Borrowings

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Borrowings held at amortised cost:				
Bank overdrafts	267	20	-	-
Bank loans	-	-	6,921,446	-

The bank have a fixed and floating charge over the assets of the company.

15 Trade and other payables

	2025	2024
	£	£
Trade payables	322,906	186,495
Amount owed to parent undertaking	1,043,051	1,043,051
Amounts owed to fellow group undertakings	11,494,914	10,363,555
Accruals and deferred income	276,478	79,380
Other payables	84,046	59,165
	13,221,395	11,731,646

16 Lease liabilities

Maturity analysis	2025 £	2024 £
Within one year	383,928	272,571
In two to five years	907,889	341,949
Total undiscounted liabilities	1,291,817	614,520
Future finance charges and other adjustments	(88,786)	(41,526)
Lease liabilities in the financial statements	1,203,031	572,994

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2025 £	2024 £
Current liabilities	342,986	247,809
Non-current liabilities	860,045	325,185
	1,203,031	572,994

Amounts recognised in profit or loss include the following:	2025 £	2024 £
Interest on lease liabilities	48,130	24,762

Other leasing information is included in note 21.

17 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	141,616	244,332

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share-based payments

Expenses		
Related to equity settled share based payments	36,144	47,841

Share options were granted to the employees of the company on 22/10/2021. There are performance conditions attached to these options. Options granted under this plan vest as follows;

a. 25% of the options vest at the end of 1st year from the date of Grant,
b. 25% of the options vest at the end of 2nd year from the date of Grant,
c. 25% of the options vest at the end of 3rd year from the date of Grant,
d. 25% of the options vest at the end of 4th year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling the conditions as set out in the grant letter.

Options were valued used the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculations are as follows;

Grant date	22/10/2021
Share price at grant date	INR 273.80
Exercise price	INR 219.00
Number of employees	4
Shares under option	35,000
Vesting period (years)	4
Option life (years)	4
Expected life (years)	4
Fair value per option:	
Year 1	INR 94.80
Year 2	INR 107.00
Year 3	INR 117.20
Year 4	INR 125.20

The exercise price, and hence the fair value, of the options is denominated in INR and has been translated in the table above at the exchange rate on the date of grant being INR 103.194 = £1.

19 Share capital

	2025	**2024**	**2025**	**2024**
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	875,000	875,000	875,000	875,000

20 Share-based payment reserves

	2025	2024
	£	£
At the beginning of the year	119,981	72,140
Additions	37,935	47,841
At the end of the year	157,916	119,981

21 Other leasing information

Lessee
The amounts included in the column below relate to the service charge expenses.

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2025	2024
	£	£
Expense relating to short-term leases	22,948	56,498

Information relating to lease liabilities is included in note 16.

22 Related party transactions

22 Related party transactions **(Continued)**

Related Party	Rent, Commission & Other Income 2025 £	Rent, Commission & Other Income 2024 £	Amount (Owed to)/ Owed by Related Party 2025 £	Amount (Owed to)/ Owed by Related Party 2024 £
PDS Sourcing Ltd	-	-	(50,512)	1,067,559
Norwest Industries Limited, Hong Kong	923,364	-	(10,956,052)	-
Poeticgem Limited	17,349	84,000	(302,521)	(62,330)
Zamira Fashion Limited	153,547	-	(2,540)	3,263
Simple Approach Limited - Hong Kong	2,258,457	-	(70,386)	190,232
Norlanka Mfg.Ltd.,HK	381,831	-	(8)	46,355
PDS Asia Star Corporation	128,732	-	(1,732)	930
Good Earth Lifestyle Ltd	31,263	-	(11,169)	-
PDS Multinational FZCO	-	-	(1,989)	-
Collaborative Sourcing Services FZC	267,278	-	(20,885)	-
Clover Collections FZCO	452,828	-	(5,624)	-
Vivere London	-	-	(71,498)	-
Multinational Textile Group Limited	1,658,597	-	2,727,766	-
PDS Online Enterprise UK Limited	-	-	568	-
New Lobster Ltd	-	-	997	-
Home Sourcing Solutions Limited	266,604	-	1,941	-
PDS Limited	1,674,763	-	200,307	465,232
PDS Tailoring Limited	555,747	-	66,316	106,914
Spring Near East Mfg.Co.Ltd	855,018	-	104,611	83,934
Clover Collections Ltd.	452,828	-	1,667	357
Simple Approach Trading FZCO	-	-	371,300	-

22 Related party transactions (Continued)

Good Earth Apparels Limited	-	-	16,223	-
Infinity Fashion FZCO	106,345	-	58,536	-
Design Arc UK Ltd		84,000	2,615	-
Casa Collective	-	-	111	-
PDS Sourcing FZCO	-	-	30,186	-
PDS Brands Manufacturing FZCO			5,604	
PDS Radius Brands FZCO	686,530	-	841,214	333,808
PDS Lifestyle FZCO	76,772	-	130,276	40,069
PDS Ventures Ltd.	472,634	-	25,497	55,963
Roksanda (UK) Limited	-	-	69,855	-
Brand Collective Corporation Ltd	-	-	-	8,859
Green Smart Shirts Limited	-	-	-	875
Poetic Brands Ltd	-	-	-	7,950
Progressive Crusade Lda	-	-	-	33,527
Progress Manufacturing Group Limited	-	-	-	4,500
Krayons Sourcing Limited	-	-	-	7,500
Moda & Beyond Limited	-	-	-	5,400
Nodes Studio Lda	-	-	-	202,146

The above balances are interest free and repayable on demand.

All the above entities are part of the same PDS group.

23 Directors' transactions

The balance outstanding for loans to key management personnel amount £50,760. (2023: Nil).

24 Controlling party

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius. The ultimate parent company is PDS Limited, a company registered in India.

PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited, is listed on the BSE and National Stock Exchange in India.

25 Cash generated from operations

	2025	2024
	£	£
Loss for the year before income tax	(681,406)	(589,557)
Adjustments for:		
Finance costs	321,045	52,241
Investment income	(104)	(6,143)
Amortisation and impairment of intangible assets	1,017	581
Depreciation and impairment of property, plant and equipment	621,324	327,436
Equity settled share based payment expense	36,144	47,841
Movements in working capital:		
Increase in trade and other receivables	(3,885,023)	(776,988)
Increase in trade and other payables	3,883,222	10,412,038
Cash generated from operations	296,219	9,467,449

26 Analysis of changes in net debt

	1 April 2024	Cash flows	New finance leases	31 March 2025
	£	£	£	£
Cash at bank and in hand	113,065	(20,762)	-	92,303
Bank overdrafts	(20)	(247)	-	(267)
	113,045	(21,009)	-	92,036
Borrowings excluding overdrafts	-	(6,921,446)	-	(6,921,446)
Obligations under finance leases	(572,994)	393,648	(1,023,685)	(1,203,031)
	(459,949)	(6,548,807)	(1,023,685)	(8,032,441)

26 Analysis of changes in net debt (Continued)

Prior year:	1 April 2023 £	Cash flows £	New finance leases £	31 March 2024 £
Cash at bank and in hand	141,222	(28,157)	-	113,065
Bank overdrafts	-	(20)	-	(20)
	141,222	(28,177)	-	113,045
Obligations under finance leases	(381,748)	250,708	(441,954)	(572,994)
	(240,526)	222,531	(441,954)	(459,949)

PDS FASHIONS LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

PDS FASHIONS LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2025	2024	2024
	£	£	£	£
Revenue				
Sales of services		12,764,828		8,031,649
Other operating income				
Rent receivable from group companies	1,099,655		327,665	
Sundry income	298		7	
		1,099,953		327,672
Administrative expenses		(14,225,246)		(8,902,780)
Operating loss		(360,465)		(543,459)
Investment revenues				
Other interest received	104		-	
Other interest received	-		6,143	
		104		6,143
Finance costs				
Bank interest on loans and overdrafts	155,665		26,130	
Finance lease interest payable	48,130		24,762	
Other interest payable	34,573		1,349	
Interest on overdue taxation	82,677		-	
		(321,045)		(52,241)
Loss before taxation	5.34%	(681,406)	7.34%	(589,557)

SCHEDULES TO THE INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Wages and salaries	9,002,312	5,503,492
Social security costs	1,082,174	692,474
Staff recruitment costs	110,206	80,303
Staff welfare	122,887	97,207
Staff training	10,082	20,203
Staff pension costs defined contribution	138,974	241,690
Equity settled share based payment costs	36,144	47,841
Directors' remuneration	489,426	310,389
Directors' social security costs	65,075	10,019
Directors' pension costs - defined contribution scheme	2,642	2,642
Management charge - group	48,031	8,411
Rent re operating leases	23,642	21,505
Rates	76,714	75,889
Cleaning	11,060	9,593
Power, light and heat	60,633	4,506
Property repairs and maintenance	163,260	77,657
Premises insurance	56,233	640
Software costs	13,759	3,274
Leasing - motor vehicles	13,520	34,993
Motor running expenses	133	6,425
Travelling expenses	928,113	545,023
Postage, courier and delivery charges	5,040	6,079
Professional subscriptions	72,867	4,338
Legal and professional fees	194,991	162,433
Consultancy fees	249,571	172,360
Accountancy	5,906	-
Audit fees	14,800	13,750
Charitable donations	92,950	97,663
Bank charges	3,824	23,163
Insurances (not premises)	1,383	5,299
Printing and stationery	10,979	7,813
Advertising	24,333	111,064
Promotions and exhibitions	14,149	3,226
Telecommunications	9,375	4,653
Other office supplies	196,779	11,104
Entertaining	14,713	2,678
Sundry expenses	83,177	(152)
Car hire/ parking charges	12,347	13,571
Hotel Expenses	38,693	76,602
Amortisation	1,017	581
Depreciation	621,324	327,436
Profit or loss on foreign exchange	23,432	(222,046)
Irrecoverable foriegn tax	78,576	286,989

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
	14,225,246	8,902,780

RSign™

Envelope Data

Subject:	PDS Fashions Ltd		
Documents:	PDSF - Minutes.pdf,PDSF - LOR.pdf,PDSF - Full accounts.pdf		
Document Hash:	1eMxjp2dthNOTLgiW4qA7MzuyKsavf8edIiVsHI35dU=		
Envelope ID:	ENV64170689-7009-FCDF-4964-BBFB		
Sender:	Muhammad Haider		
Sent:	09/05/2025 20:59 PM UTC		
Status:	Completed	Access Authentication:	None
Status Date:	10/05/2025 15:39 PM UTC	Email Access Code:	Not Enabled
		Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Roland Seregi	roland.seregi@pdsltd.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	09/05/2025 20:59 PM UTC	Created
Roland Seregi	roland.seregi@pdsltd.com	212.132.243.88	09/05/2025 21:11 PM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	10/05/2025 15:39 PM UTC	Signed
			10/05/2025 15:39 PM UTC	**Status - Completed**

Signer Signatures

Signer Name / Roles	Signature	Initials
Roland Seregi	Roland Seregi	
Vinod Vadgama	V Vadgama	

Report of the Directors and Audited Financial Statements

PG GROUP LIMITED

31 March 2025

Building a better working world

PG GROUP LIMITED

CONTENTS

PG GROUP LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of PG Group Limited (the "Company") for the year ended 31 March 2025.

Principal activities
The principal activities of the Company during the year were the trading of home and garment products, and investment holding. The principal activities of the Company's subsidiaries are set out in note 1 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Results and dividends
The Group's profit for the year ended 31 March 2025 and its financial position at that date are set out in the financial statements on pages 6 to 48.

The directors of the Company do not recommend the payment of any dividend in respect of the year.

Directors
The directors of the Company during the year were:

Sebastian Felipe Berstein Jauregui
Abhishekh Kanoi
Suresh Mahadev Punjabi
Mohandas Thekkeyil
Luis Hernan Gabler

The persons who were directors of the subsidiaries of the Company during the year (not including those directors listed above) were:

Mahesh Kumar Seth
Vicente Vial Cerda
Raamann Ahuja

In accordance with the Company's articles of association, all directors will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

Directors' interests
At no time during the year was the Company or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangement to enable the Company's directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interests in transactions, arrangements or contracts
No director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries, holding companies or fellow subsidiaries was a party during the year.

Auditors
Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

....
Mohandas Thekkeyil
Director

Hong Kong
15 May 2025

EY 安永

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

Independent auditor's report
To the members of PG Group Limited
(Incorporated in Hong Kong with limited liability)

Opinion
We have audited the consolidated financial statements of PG Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 6 to 48, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion
We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. 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 Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the consolidated financial statements and auditor's report thereon
The directors are responsible for the other information. The other information comprises the information included in the report of the directors.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements
The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

EY安永

Independent auditor's report (continued)
To the members of PG Group Limited
(Incorporated in Hong Kong with limited liability)

Responsibilities of the directors for the consolidated financial statements (continued)
In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement 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 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

EY 安永

Independent auditor's report (continued)
To the members of PG Group Limited
(Incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors 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 Legal and Regulatory Requirements
The engagement partner on the audit resulting in this independent auditor's report is Kong Choi Yi (practicing certificate number: P07873).

Ernst & Young

Certified Public Accountants
Hong Kong
15 May 2025

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2025

	Notes	2025 US$	2024 US$
REVENUE	5	27,827,749	19,587,339
Cost of sales		(23,040,643)	(16,137,532)
Gross profit		4,787,106	3,449,807
Other income and gains	5	285,324	640,848
Selling and distribution expenses		(1,464,841)	(1,089,617)
Administrative expenses		(1,810,346)	(1,910,474)
Other operating expenses		(80,229)	(460,337)
Finance costs	8	(298,608)	(125,302)
PROFIT BEFORE TAX	6	1,418,406	504,925
Income tax expense	9	(92)	(1,603)
PROFIT FOR THE YEAR		1,418,314	503,322
Attributable to:			
Owners of the parent		1,342,554	492,908
Non-controlling interest		75,760	10,414
		1,418,314	503,322

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2025

	2025 US$	2024 US$
PROFIT FOR THE YEAR	1,418,314	503,322
OTHER COMPREHENSIVE LOSS		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(20,186)	152,822
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,398,128	656,144
Attributable to:		
Owners of the parent	1,324,389	630,074
Non-controlling interest	73,739	26,070
	1,398,128	656,144

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2025

	Notes	2025 US$	2024 US$
NON-CURRENT ASSETS			
Property, plant and equipment	11	8,845	8,810
Right-of-use asset	12(a)	208,031	287,409
Deposits	14	23,123	22,799
Total non-current assets		239,999	319,018
CURRENT ASSETS			
Trade receivables	13	4,882,205	5,215,612
Prepayments, deposits and other receivables	14	28,369	27,679
Due from a fellow subsidiary	19(b)	8,111,888	3,206,099
Cash and cash equivalents		919,281	3,179,508
Total current assets		13,941,743	11,628,898
CURRENT LIABILITIES			
Trade payables		2,955,806	3,026,419
Other payables and accruals	15	837,532	530,694
Due to a related company	19(c)	683,183	639,524
Due to a fellow subsidiary	19(b)	209,905	-
Interest-bearing bank borrowings	16	3,911,864	3,070,229
Lease liability	12(b)	72,616	68,100
Total current liabilities		8,670,906	7,334,966
NET CURRENT ASSETS		5,270,837	4,293,932
TOTAL ASSETS LESS CURRENT LIABILITIES		5,510,836	4,612,950
NON-CURRENT LIABILITIES			
Lease liability	12(b)	144,385	224,445
Deferred tax liabilities		92	-
Total non-current liabilities		144,477	224,445
Net assets		5,366,359	4,388,505

continued/...

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 March 2025

	Notes	2025 US$	2024 US$
EQUITY			
Equity attributable to owners of the parent			
Share capital	17	1,000,000	1,000,000
Reserves	18	4,092,281	3,179,471
		5,092,281	4,179,471
Non-controlling interest		274,078	209,034
Total equity		5,366,359	4,388,505

....
Sebastian Felipe Berstein Jauregui
Director

....
Mohandas Thekkeyil
Director

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2025

	Attributable to owners of the parent					
	Share capital US$	Exchange reserve US$	Retained profits US$	Total US$	Non-controlling interest US$	Total equity US$
At 1 April 2023	1,000,000	(5,218)	3,739,199	4,733,981	244,918	4,978,899
Profit for the year	-	-	492,908	492,908	10,414	503,322
Other comprehensive income for the year: Exchange difference on translation of foreign operations	-	137,166	-	137,166	15,656	152,822
Total comprehensive income for the year	-	137,166	492,908	630,074	26,070	656,144
Final 2023 dividend declared	-	-	(1,184,584)	(1,184,584)	-	(1,184,584)
Dividend paid to a non-controlling shareholder	-	-	-	-	(61,954)	(61,954)
At 31 March 2024 and 1 April 2024	1,000,000	131,948*	3,047,523*	4,179,471	209,034	4,388,505
Profit for the year	-	-	1,342,554	1,342,554	75,760	1,418,314
Other comprehensive loss for the year: Exchange difference on translation of foreign operations	-	(18,165)	-	(18,165)	(2,021)	(20,186)
Total comprehensive income/(loss) for the year	-	(18,165)	1,342,554	1,324,389	73,739	1,398,128
Final 2024 dividend declared	-	-	(411,579)	(411,579)	-	(411,579)
Dividend paid to a non-controlling shareholder	-	-	-	-	(8,695)	(8,695)
At 31 March 2025	1,000,000	113,783*	3,978,498*	5,092,281	274,078	5,366,359

* These reserve accounts comprise the consolidated reserves of US$4,092,281 (2024: US$3,179,471) in the consolidated statement of financial position.

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2025

	Notes	2025 US$	2024 US$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,418,406	504,925
Adjustments for:			
Finance costs	8	298,608	125,302
Interest income	5	(666)	(1,935)
Depreciation of property, plant and equipment	6	2,152	1,590
Depreciation of a right-of-use asset	6	78,401	78,964
Impairment of trade receivables, net	6	6,060	871
		1,802,961	709,717
Decrease/(increase) in trade receivables		327,347	(128,366)
Decrease/(increase) in prepayments, deposits and other receivables		(689)	27,061
Increase/(decrease) in trade payables		(65,930)	1,980,265
Increase in other payables and accruals		301,417	74,718
Increase in an amount due to a related company		43,659	113,533
Change in balance with fellow subsidiaries		(4,695,884)	(2,239,462)
Cash generated from/(used in) operations		(2,287,119)	537,466
Interest received		666	1,935
Net cash flows from/(used in) operating activities		(2,286,453)	539,401
CASH FLOWS FROM AN INVESTING ACTIVITY			
Purchases of items of property, plant and equipment and cash flows used in an investing activity		(2,039)	(5,439)

continued/...

PG GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 March 2025

	2025 US$	2024 US$
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(280,702)	(102,265)
Dividends paid	(411,579)	(1,184,584)
Dividends paid to a non-controlling shareholder	(8,695)	(61,954)
Principal portion of lease payments	(74,523)	(70,055)
Interest portion of lease payments	(17,906)	(23,037)
New bank loans, net	841,635	3,070,229
Net cash flows from financing activities	48,230	1,628,334
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,240,262)	2,162,296
Cash and cash equivalents at beginning of year	3,179,508	1,036,901
Effect of foreign exchange rate changes, net	(19,965)	(19,689)
CASH AND CASH EQUIVALENTS AT END OF YEAR	919,281	3,179,508
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Bank balances	919,281	3,179,508

1. CORPORATE AND GROUP INFORMATION

PG Group Limited is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at 9/F, Surson Commercial Building, 140-142 Austin Road, Tsim Sha Tsui, Kowloon, Hong Kong.

During the year, the Group was primarily engaged in the trading of home and garment products, and investment holding.

The Company is a subsidiary of PDS Sourcing Limited, a company incorporated in Mauritius. In the opinion of the directors, the Company's ultimate holding company is PDS Limited, a company incorporated in India with shares listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Information about subsidiaries
Particulars of the Company's subsidiaries as at the end of the reporting period are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary /registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
PG Home Group Limited	Hong Kong	US$250,000	90	-	Trading of home and garment products, and investment holding
PG Home Group S.P.A.	Chile	Chilean Pesos 3,000,000		90	Provision of sales and marketing services
PG Shanghai Manufacturer Co. Ltd.#	Shanghai	US$200,025	100	-	Provision of sourcing Services
PG Group S.P.A.	Chile	Chilean Pesos 3,000,000	100	-	Provision of sales and marketing services

PG Shanghai Manufacturer Co. Ltd is registered as a wholly-foreign-owned enterprise under PRC law.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention. These financial statements are presented in United States dollars ("US$").

Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of its subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of its subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICLIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")

The adoption of the above revised HKFRS Accounting Standards has had no significant financial effect on these financial statements except the followings.

Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback
Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and Amendments to HKAS 1 Non-current Liabilities with Covenants
The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied any of the new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual/reporting periods beginning on or after 1 January 2027
[4] No mandatory effective date yet determined but available for adoption

The Group is in the process of making assessment of the impact of the new and revised HKFRS Accounting standards upon initial application but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a significant impact on the Group's financial statements in the period of initial application.

3. MATERIAL ACCOUNTING POLICIES

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

3. MATERIAL ACCOUNTING POLICIES (continued)

<u>Related parties</u>
A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person
  (i) has control or joint control over the Group;
  (ii) has significant influence over the Group; or
  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:
  (i) the entity and the Group are members of the same group;
  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  (iii) the entity and the Group are joint ventures of the same third party;
  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  (vi) the entity is controlled or jointly controlled by a person identified in (a);
  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3. MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the year in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the lease terms
Furniture and fixtures	10% - 33⅓%
Office equipment	10% - 33⅓%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

3. MATERIAL ACCOUNTING POLICIES (continued)

Leases

The Group assesses at contract inception whether a 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

3. MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)
Group as a lessee (continued)
(c) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of property (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

3. MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

Purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell asset.

Subsequent measurement of financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3. MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 180 days past due. The Group has rebutted the 90 days past due presumption of default based on reasonable and supportable information, including the Group's credit risk control practices and the historical recovery rate of financial assets over 90 days past due. However, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs.

Subsequent measurement of *financial liabilities at amortised cost (trade and other payables, and borrowings)*

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in statement of profit or loss.

Derecognition of financial instruments

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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 a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

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

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

3. MATERIAL ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the end of the reporting period are used to determine the deferred tax.

Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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.

3. MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)
Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

Revenue from the sales of home and garment products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the home and garment products.

Other income
Interest income
Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, which appropriate, to the net carrying amount of the financial asset.

Commission income
Revenue from the provision of agency services is recognised over time as services are rendered.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3. MATERIAL ACCOUNTING POLICIES (continued)

Other employee benefits

Pension scheme

The Group operates a mandatory provident fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Chile and Mainland China are required to participate in central pension schemes operated by the respective local municipal governments. These subsidiaries are required to contribute certain percentages of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the respective central pension schemes.

Foreign currencies

These financial statements are presented in US$, which is the Group's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the dates when their fair values were measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of overseas subsidiaries are currencies other than US$. As at the end of the reporting period, the assets and liabilities of these entities are translated into US$ at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into HK$ at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)
For the purpose of the consolidated statement of cash flows, the cash flows of the overseas subsidiary are translated into US$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiary which arise throughout the year are translated into US$ at the weighted average exchange rates for the year.

Dividends
Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, 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 below.

Provision for expected credit losses on trade receivables
The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geographical region and customer type).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 13 to the financial statements, respectively.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 US$	2024 US$
Revenue from contracts with customers		
Sale of goods	27,827,749	19,587,339

(i) Disaggregated revenue information
The Group's entire revenue of goods transferred is recognised at a point in time.

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 US$	2024 US$
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of goods	315,131	15,604

(ii) Performance obligations
Information about the Group's performance obligations is summarised below:

Sale of home and garment products
The performance obligation is satisfied upon delivery of the home and garment products is generally due with 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

As a practical expedient, the amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are not disclosed in the notes to the financial statements because all the remaining performance obligations in relation to the sale of goods have an original expected duration of one year or less.

5. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of other income and gains are as follows:

	2025 US$	2024 US$
Bank interest income	666	2,567
Compensation from suppliers	268,539	243,119
Discount from supplier	-	33,604
Foreign exchange differences, net	11,566	346,554
Others	4,553	15,004
Total other income and gains	285,324	640,848

^ There are no unfulfilled conditions or contingencies relating to this grant recognised during the year.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2025 US$	2024 US$
Cost of inventories sold		23,040,643	16,137,532
Depreciation of property, plant and equipment	11	2,152	1,590
Depreciation of a right-of-use asset	12	78,401	78,964
Lease payments not included in the measurement of lease liabilities		21,244	14,219
Auditor's remuneration		31,863	24,020
Employee benefit expense (excluding directors' remuneration (note 7)):			
Salaries and allowances		1,001,988	949,098
Pension scheme contributions (defined contribution scheme)		153,374	135,073
Total		1,155,362	1,084,171
Foreign exchange differences, net		(11,566)	(346,554)
Impairment of trade receivables, net	13	6,060	871

7. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1)(a) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 US$	2024 US$
Fees	-	-
Other emoluments:		
Salaries, allowances and other benefits	119,112	123,163
Total	119,112	123,163

8. FINANCE COSTS

	2025 US$	2024 US$
Interest on interest-bearing bank borrowings	280,702	102,265
Interest on a lease liability	17,906	23,037
Total	298,608	125,302

9. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2024: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

A subsidiary of the Group established in the Republic of Chile is subject to the Chile corporate income tax regulations at a standard rate of 27% during the year.

No provision for PRC corporate income tax had been made for current year as the Group did not generate any assessable profits arising in the PRC.

	2025 US$	2024 US$
Current tax:		
Under provision in prior year - Chile	92	1,603

A reconciliation of the tax charge applicable to profit before tax at the Hong Kong statutory tax rate to the tax charge at the effective tax rate is as follows:

	2025 US$	2024 US$
Profit before tax	1,418,406	504,925
Tax charge at the Hong Kong statutory tax rate of 16.5% (2024: 16.5%)	234,037	83,312
Difference in tax rates applied for specific provinces or local authority	(24)	(1,004)
Adjustments in respect of current tax of previous periods	92	1,603
Income not subject to tax	(650,199)	(388,256)
Expenses not deductible for tax	397,490	342,417
Tax losses not recognised	18,696	2,647
Tax losses utilised from previous periods	-	(39,116)
Tax at the effective tax rate	92	1,603

9. INCOME TAX (continued)

As at the end of the reporting period, a subsidiary of the Group had unused tax losses arising in Chile of US$787,692 (2024: US$718,604), that are available indefinitely for offsetting against future taxable profits of that subsidiary.

As at the end of the reporting period, a subsidiary of the Group had unused tax losses arising in Mainland China of US$145,205 (2024: US$145,038), that will expire in one to five years for offsetting against future taxable profits of that subsidiary.

At the end of the reporting period, the above deferred tax assets have not been recognised in respect of these unused tax losses items as it is not considered probable that taxable profits will be available against which these unused tax losses can be utilised.

10. DIVIDEND

A final dividend in respect of year ended 31 March 2024 of US$0.41 per ordinary share amounting to US$411,579 was declared by the directors of the Company and was paid to the shareholders of the Company during the current year

11. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements US$	Furniture and fixtures US$	Office equipment US$	Total US$
31 March 2025				
At 1 April 2024:				
Cost	40,720	63,589	27,020	131,329
Accumulated depreciation	(40,720)	(63,072)	(18,727)	(122,519)
Net carrying amount	-	517	8,293	8,810
At 1 April 2024, net of accumulated depreciation	-	517	8,293	8,810
Additions	-	-	2,039	2,039
Depreciation provided during the year	-	(172)	(1,980)	(2,152)
Exchange realignment	-	3	145	148
At 31 March 2025, net of accumulated depreciation	-	348	8,497	8,845
At 31 March 2025:				
Cost	40,720	63,638	29,338	133,696
Accumulated depreciation	(40,720)	(63,290)	(20,841)	(124,851)
Net carrying amount	-	348	8,497	8,845

11. PROPERTY, PLANT AND EQUIPMENT (continued)

	Leasehold improvements US$	Furniture and fixtures US$	Office equipment US$	Total US$
31 March 2024				
At 1 April 2023:				
Cost	40,720	63,697	36,919	141,336
Accumulated depreciation	(40,720)	(63,571)	(31,244)	(135,535)
Net carrying amount	-	126	5,675	5,801
At 1 April 2023, net of accumulated depreciation	-	126	5,675	5,801
Additions	-	515	4,924	5,439
Depreciation provided during the year	-	(100)	(1,490)	(1,590)
Exchange realignment	-	(24)	(816)	(840)
At 31 March 2024, net of accumulated depreciation	-	517	8,293	8,810
At 31 March 2024:				
Cost	40,720	63,589	27,020	131,329
Accumulated depreciation	(40,720)	(63,072)	(18,727)	(122,519)
Net carrying amount	-	517	8,293	8,810

12. LEASES

The Group as a lessee
The Group has a lease contract for office premises which has a lease term of 5 years. The Group is restricted from assigning and subleasing the leased asset outside the Group.

(a) Right-of-use asset

The carrying amount of the Group's right-of-use asset and the movements during the year are as follows:

	Office premises US$
As at 1 April 2023	384,356
Depreciation charge	(78,964)
Exchange realignment	(17,983)
As at 31 March 2024 and 1 April 2024	287,409
Depreciation charge	(78,401)
Exchange realignment	(977)
As at 31 March 2025	208,031

(b) Lease liability

The carrying amount of lease liability and the movements during the year are as follows:

	2025 US$	2024 US$
Carrying amount at the beginning of the year	292,545	380,460
Accretion of interest recognised during the year	17,906	23,037
Payments	(92,429)	(93,092)
Exchange realignment	(1,021)	(17,860)
Carrying amount at the end of the year	217,001	292,545
Analysed into:		
Current portion	72,616	68,100
Non-current portion	144,385	224,445

12. LEASES (continued)

The Group as a lessee (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 US$	2024 US$
Interest on a lease liability	17,906	23,037
Depreciation charge of a right-of-use asset	78,401	78,964
Expense relating to short-term leases	21,244	14,219
Total amount recognised in profit or loss	117,551	116,220

13. TRADE RECEIVABLES

	2025 US$	2024 US$
Trade receivables	4,033,873	3,740,138
Amount due from a related party	886,387	1,507,469
	4,920,260	5,247,607
Less: Impairment	(38,055)	(31,995)
Total	4,882,205	5,215,612

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The Group maintains a defined credit policy and credit periods are usually granted ranging from one to four months from the month-end of date of invoice to customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to a number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As at the end of the reporting period, included in the Group's trade receivables of US$886,387 (2024: US$1,507,469) is an amount due from Grupo Extremo SUR S.A. ("Grupo"), a related company as detailed in note 19(c), which is repayable on credit terms similar to those offered to the major customers of the Group.

13. TRADE RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 US$	2024 US$
At beginning of year	31,995	31,124
Impairment losses, net (note 6)	6,060	871
At end of year	38,055	31,995

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 March 2025

		Past due			
	Current	Less than 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	0.77%	0.77%	-	0.77%	0.77%
Gross carrying amount (US$)	4,604,369	304,082	-	11,809	4,920,260
Expected credit losses (US$)	35,612	2,352	-	91	38,055

As at 31 March 2024

		Past due			
	Current	Less than 1 month	1 to 3 months	Over 3 months	Total
Expected credit loss rate	0.61%	0.61%	-	-	0.61%
Gross carrying amount (US$)	5,152,734	94,873	-	-	5,247,607
Expected credit losses (US$)	31,416	579	-	-	31,995

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 US$	2024 US$
Prepayments	22,624	22,436
Deposits	28,868	28,042
	51,492	50,478
Less: Portion classified as non-current	(23,123)	(22,799)
Total	28,369	27,679

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 March 2025 and 2024, the loss allowance was assessed to be minimal.

15. OTHER PAYABLES AND ACCRUALS

	Notes	2025 US$	2024 US$
Accruals		83,437	70,077
Accrued employee benefits		75,835	51,865
Other payables	(a)	222,261	93,621
Contract liabilities	(b)	455,999	315,131
Total		837,532	530,694

Notes:

(a) Other payables are non-interest-bearing and have an average term of three months. Contract liabilities relate to advances received to deliver garment products.

(b) Details of contract liabilities are as follows:

	31 March 2025 US$	31 March 2024 US$	1 April 2023 US$
Advances received from customers			
Sale of goods	455,999	315,131	15,604

15. OTHER PAYABLES AND ACCRUALS (continued)

Notes: (continued)

(b) (continued)
Contract liabilities include advances received to deliver garment products. The increase in contract liabilities was mainly due to the increase in sales orders received from customers in relation to sales of garment products near year end.

16. INTEREST-BEARING BANK BORROWINGS

	2025 US$	2024 US$
Import loans	3,911,864	3,070,229

The import loans were denominated in US$, interest-bearing at risk-free rate ("RFR") +2.15% per annum and were repayable within one to two months.

The interest-bearing bank borrowings are guaranteed by the immediate holding company and a director of the Company.

17. SHARE CAPITAL

	2025 US$	2024 US$
Issued and fully paid:		
1,000,000 (2024: 1,000,000) ordinary shares	1,000,000	1,000,000

18. RESERVES

The amounts of the Group's reserves and the movements therein for the current year and the prior year are presented in the consolidated statement of changes in equity on page 10 of the financial statements.

19. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties based on mutually agreed terms during the year:

	2025 US$	2024 US$
Immediate holding company:		
Management fees paid	-	231,318
A fellow subsidiary:		
Management fees paid	18,551	22,200
SAP Expenses	39,764	21,774
A related company, Grupo (note 19(c)):		
Sales of goods	3,133,428	3,564,458
Commission paid	1,075,036	821,715

(b) Outstanding balance with a related party

The balance with a fellow subsidiary is unsecured, interest-free and repayable on demand.

(c) Particulars of balances with a related company, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance, are as follows:

Name	31 March 2025 US$	Maximum amount outstanding during the year US$	31 March 2024 US$	Maximum amount outstanding during the year US$
Trade receivables from Grupo (note 13)	886,387	886,387	1,507,469	1,507,469
Due to Grupo	(683,183)	-	(639,524)	-

The controlling shareholders of the Grupo Extremo SUR S.A. are also acting as directors of the Company.

(d) Compensation of key management personnel of the Group represented directors' remuneration as disclosed in note 7 to the financial statements.

20. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

	Lease liability US$	Interest-bearing bank borrowings US$
At 1 April 2023	380,460	-
Interest expense	23,037	-
Changes from financing cash flows, net	(93,092)	3,070,229
Exchange realignment	(17,860)	-
At 31 March 2024 and 1 April 2024	292,545	3,070,229
Interest expense	17,906	-
Changes from financing cash flows, net	(92,429)	841,635
Exchange realignment	(1,021)	-
At 31 March 2025	217,001	3,911,864

21. FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets of the Group comprise trade receivables, deposits and other receivables, an amount due from a fellow subsidiary, and cash and cash equivalents, which are categorised as financial assets at amortised cost. The carrying amounts of these financial assets are the amounts shown on the consolidated statement of financial position or in the corresponding notes to the financial statements.

The financial liabilities of the Group comprise trade payables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, amounts due to a fellow subsidiary and a related company and a lease liability, which are categorised as financial liabilities at amortised cost. The carrying amounts of these financial liabilities are the amounts shown on the consolidated statement of financial position or in the corresponding notes to the financial statements.

22. FAIR VALUE OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, current portion of deposits and other receivables, financial liabilities included in other payables and accruals, balances with fellow subsidiaries and a related company approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group did not have any financial assets and financial liabilities measured at fair value as at the end of each reporting period.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's exposure to credit risk and liquidity risk arises in the normal course of its business. These risks are managed by the Group's financial management policies and practices described below:

Credit risk

The Group's cash and cash equivalents are held in major financial institutions, which management believes are of high credit quality. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of reporting period. The amounts presented are gross carrying amounts of the financial assets.

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 March 2025

	12-month ECLs Stage 1 US$	Lifetime ECLs Stage 2 US$	Stage 3 US$	Simplified approach US$	Total US$
Trade receivables*	-	-	-	4,920,260	4,920,260
Due from a fellow subsidiary					
- Normal**	8,111,888	-	-	-	8,111,888
Deposits and other receivables					
- Normal**	28,868	-	-	-	28,868
Cash and cash equivalents					
- Not yet past due	919,281	-	-	-	919,281
	9,060,037			4,920,260	13,980,297

As at 31 March 2024

	12-month ECLs Stage 1 US$	Lifetime ECLs Stage 2 US$	Stage 3 US$	Simplified approach US$	Total US$
Trade receivables*	-	-	-	5,247,607	5,247,607
Due from a fellow subsidiary					
- Normal**	3,206,099	-	-	-	3,206,099
Deposits and other receivables					
- Normal**	28,042	-	-	-	28,042
Cash and cash equivalents					
- Not yet past due	3,179,508	-	-	-	3,179,508
	6,413,649	-	-	5,247,607	11,661,256

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 13 to the financial statements.

** The credit quality of the trade receivables, deposits and other receivables and an amount due from a fellow subsidiary are considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of working capital deemed adequate, and maintains a balance between continuity and flexibility of funding from group companies.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	2025		
	On demand/ less than 1 year US$	1 to 5 years US$	Total US$
Lease liability	91,970	153,283	245,253
Trade payables	2,960,423	-	2,960,423
Financial liabilities included in other payables and accruals	301,081		301,081
Interest bearing bank borrowing	3,969,088	-	3,969,088
Due to a related company	683,183	-	683,183
Due to a fellow subsidiary	209,905	-	209,905
	8,215,650	153,283	8,368,933

	2024		
	On demand/ less than 1 year US$	1 to 5 years US$	Total US$
Lease liability	92,409	246,424	338,833
Trade payables	3,026,419	-	3,026,419
Financial liabilities included in other payables and accruals	163,698	-	163,698
Interest bearing bank borrowing	3,070,229	-	3,070,229
Due to a related company	639,524	-	639,524
	6,992,279	246,424	7,238,703

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payments to the shareholders, return capital to the shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

24. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 US$	2024 US$
NON-CURRENT ASSETS		
Property, plant and equipment	354	707
Investments in subsidiaries	428,799	428,799
Total non-current assets	429,153	429,506
CURRENT ASSETS		
Trade receivables	4,106,379	4,837,131
Prepayments and other receivables	971	1,568
Due from a fellow subsidiary	7,324,525	2,450,439
Cash and cash equivalents	673,868	2,877,801
Total current assets	12,105,743	10,166,939
CURRENT LIABILITIES		
Trade payables	2,507,972	2,478,720
Other payables and accruals	625,978	296,415
Due to a fellow subsidiary	209,905	-
Due to a related company	683,183	639,524
Due to a subsidiary	2,591,402	1,533,129
Interest-bearing bank borrowings	2,623,695	2,680,859
Total current liabilities	9,242,135	7,628,647
NET CURRENT ASSETS	2,863,608	2,538,292
Net assets	3,292,761	2,967,798
EQUITY		
Share capital	1,000,000	1,000,000
Retained profits (note)	2,292,761	1,967,798
Total equity	3,292,761	2,967,798

....

Sebastian Felipe Berstein Jauregui
Director

Mohandas Thekkeyil
Director

24. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's retained profits is as follows:

	Retained profits US$
At 1 April 2023	2,168,265
Profit and total comprehensive income for the year	984,117
Final 2023 dividend declared	(1,184,584)
At 31 March 2024 and at 1 April 2024	1,967,798
Profit and total comprehensive income for the year	736,542
Final 2024 dividend declared	(411,579)
At 31 March 2025	2,292,761

25. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 15 May 2025.

Company registration number 09390969 (England and Wales)

POETIC BRANDS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

POETIC BRANDS LIMITED

COMPANY INFORMATION

Directors	Mr A Banaik Mr E Mathews Mr B Shah
Secretary	Mr K Kanodia
Company number	09390969
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

CONTENTS

POETIC BRANDS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

The results and the financial position at the year-end for the company have been satisfactory and we expect growth in the foreseeable future.

The company has delivered a stable performance for the financial year, demonstrating the strength of its business model and operational discipline in a challenging market environment. The company's financial position at year-end remains robust, and we are confident in our ability to deliver sustained growth over the coming years.

We are proud to acknowledge the significant contributions of our employees, management team, commercial partners, and other key stakeholders. Their unwavering dedication and collaboration continue to be the driving force behind our achievements.

Throughout the year, we made meaningful progress on several strategic fronts. Key initiatives included geographic expansion into high-potential markets, an enhanced focus on product innovation to meet evolving consumer preferences, and disciplined cost optimisation programmes. These initiatives have strengthened our competitive position and created a solid foundation for future scalability and long-term value creation.

A core area of focus continues to be the growth of our Licensed business through long-term strategic partnerships. These alliances not only diversify our revenue streams but also provide improved visibility and predictability for the medium to long term, reinforcing the stability of our operating model.

In addition to financial performance, we have placed increased emphasis on agility, customer-centricity, and operational excellence, which will continue to underpin our strategy in the years ahead. The Board is confident that these priorities will enable the company to capitalise on new opportunities and deliver sustainable value to shareholders.

The company's key performance indicator (KPI) remains the consistent growth in net profit, supported by a strong commercial pipeline, improved operational efficiency, and ongoing strategic investments.

Looking ahead, we are excited by the opportunities that lie before us. Our ambition is to build a more innovative, resilient, and profitable business that is well-positioned to succeed in an increasingly competitive landscape.

The company's key performance indicator is measured by reference to maintaining growth in net profit.

Profit before tax in 2024 of £257,978 has increased to £292,704 which is due to recovery from the tough economic climate

Other key financial performance indicators can be summarised as follows:

i) Improvement and efficiency of asset usage	**2025**	**2024**
a) Average credit period for trade receivables	105 days	95 days
b) Computation of number of days of purchase outstanding	82 days	68 days
c) Computation of stock turnover days	0.3 days	1.8 days
ii) Financial stability of the company	**2025**	**2024**
Working capital ratio	1.16	1.19
Liquidity ratio	1.16	1.18

Principal risks and uncertainties

Key risks and uncertainties

The main risks of the company are summarised below:

Currency risk
Expenses and revenue of the company are mainly denominated in USD and GBP. As a result, the company is subject to risk of foreign currency movements. It is the company's policy to monitor this risk and to take necessary steps to minimise any adverse effects.

Liquidity risk
Liquidity risk is the risk that the company may encounter in meeting its financial liabilities obligations as they fall due. During the year, the company continued to be funded from liquid resources retained in the UK. The directors continue to monitor the company's liquidity, taking steps, wherever necessary, to ensure that financial obligations and commitments are met as and when they fall due.

Market risk
Pressure on margins: As the competition amongst value retailers is increasing, profit margins are under constant pressure. However, the company is spreading its customer base from value retailers to high margin fashion retailers to counter this risk.

Credit Risk
Credit risk arises from trade receivables where the party fails to discharge their obligation in relation to the instrument. To minimise the risk, management have appropriate credit assessment methods in place to establish credit worthiness of new customers and monitor receivables by regularly reviewing aged receivable reports.

The main uncertainty of the company is summarised below:

Inflationary Pressure

Continued rise of global material cost including cotton and also increased cost of logistic services is exerting significant pressure on fashion garment industry. The Company is working along with its suppliers and customers towards providing possible solutions and improving efficiency in the supply chain to mitigate its impact.

Other buisness review

Environmental policy
The company recognises the importance of environmental responsibilities and where practical has an environmental policy in place which includes challenging sustainability agenda including increased trading of responsibly sourced garments and recycling of paper and all office materials. The directors believe the nature of its activities has a minimal effect on the environment.

Health and safety
The company recognises the importance of safeguarding the health, safety and welfare of its employees and has a health and safety policy in place. Regular updates are communicated to all employees.

Employees
The company aims to ensure that the employees work in a safe and healthy environment. The company encourages the workforce to be involved by providing appropriate training, learning and career development programmes. It is also making information available to employees through the medium of frequent staff meetings, together with personal appraisals and feedback sessions.

On behalf of the board

Anuj banaik
....
Mr A Banaik
Director

Date: 11/05/2025

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

As stated in note 1.1, the directors have chosen to prepare the financial statements as if they were statutory financial statements for purpose of group consolidation.

Principal activities
The principal activity of the company continued to be that of import and distribution of Licensed garments. In addition, the company has now expanded its offering to include Licensed Luggage, footwear and accessories.

Results and dividends
The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Banaik
Mr E Mathews
Mr B Shah

Future developments
The Directors remain confident in the company's long-term strategic direction and are committed to delivering sustainable and profitable growth. Looking ahead, the business will continue to pursue initiatives that support market expansion, operational efficiency, and product diversification.

A key priority for the company is to strengthen its presence in both domestic and international markets through targeted geographical expansion and deepening of existing commercial relationships. Investment in brand development and innovation will continue to play a central role in responding to evolving consumer trends and enhancing market competitiveness. The company also intends to build on its successful licensed business model by establishing new strategic partnerships with well-established brands. These partnerships are expected to generate stable, recurring revenues and reinforce the company's market position.

In parallel, a strong focus will remain on cost discipline and operational excellence. Management will continue to optimise supply chain efficiencies and implement scalable systems and processes that support sustainable growth.

Digital transformation is also a strategic focus area. The company is exploring opportunities to enhance its digital capabilities, streamline operations, and improve data-driven decision-making, all of which are expected to contribute to long-term value creation.

The Directors are optimistic about the future and believe that the company is well positioned to capitalise on emerging opportunities, manage potential risks, and achieve sustained growth and success.

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

Anuj banaik
....
Mr A Banaik
Director

Date: 11/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETIC BRANDS LIMITED

Opinion

We have audited the financial statements of Poetic Brands Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETIC BRANDS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETIC BRANDS LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue and results.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the website of the Financial Reporting Council at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETIC BRANDS LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young Date: 11/05/2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	**2**	21,233,021	13,608,369
Cost of sales		(18,440,990)	(11,735,358)
Gross profit		2,792,031	1,873,011
Distribution costs		(205,401)	(75,334)
Administrative expenses		(2,141,790)	(1,434,582)
Operating profit	**3**	444,840	363,095
Finance costs	**6**	(152,136)	(105,117)
Profit before taxation		292,704	257,978
Tax on profit	**7**	-	(44,268)
Profit and total comprehensive income for the financial year		292,704	213,710

The income statement has been prepared on the basis that all operations are continuing operations.

POETIC BRANDS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Property, plant and equipment	**8**		26,427		52,773
Investments	**9**		65,000		65,000
			91,427		117,773
Current assets					
Inventories	**11**	16,298		56,873	
Trade and other receivables	**12**	12,739,328		9,843,579	
Cash and cash equivalents		690,989		168,573	
		13,446,615		10,069,025	
Current liabilities	**13**	(11,571,399)		(8,488,650)	
Net current assets			1,875,216		1,580,375
Total assets less current liabilities			1,966,643		1,698,148
Non-current liabilities	**13**		(1,239)		(25,448)
Net assets			1,965,404		1,672,700
Equity					
Called up share capital	**18**		50,000		50,000
Retained earnings			1,915,404		1,622,700
Total equity			1,965,404		1,672,700

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 11/05/2025 and are signed on its behalf by:

Anuj Banaik
....
Mr A Banaik
Director

Company registration number 09390969 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2023	50,000	1,408,990	1,458,990
Year ended 31 March 2024:			
Profit and total comprehensive income	-	213,710	213,710
Balance at 31 March 2024	50,000	1,622,700	1,672,700
Year ended 31 March 2025:			
Profit and total comprehensive income	-	292,704	292,704
Balance at 31 March 2025	50,000	1,915,404	1,965,404

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**21**		930,727		(730,973)
Interest paid			(152,136)		(105,117)
Income taxes paid			-		(34,034)
Net cash inflow/(outflow) from operating activities			778,591		(870,124)
Investing activities					
Purchase of investments		-		(15,000)	
Net cash used in investing activities			-		(15,000)
Financing activities					
Proceeds from borrowings		-		961,576	
Repayment of borrowings		(362,788)		-	
Payment of lease liabilities		(23,974)		(23,046)	
Net cash (used in)/generated from financing activities			(386,762)		938,530
Net increase in cash and cash equivalents			391,829		53,406
Cash and cash equivalents at beginning of year			138,877		85,471
Cash and cash equivalents at end of year			530,706		138,877
Relating to:					
Bank balances and short term deposits			690,989		168,573
Bank overdrafts			(160,283)		(29,696)

1 Accounting policies

Company information

Poetic Brands Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

These financial statements do not reflect the consolidation of the company's subsidiaries and are not statutory financial statements. The directors have nonetheless prepared and presented on the basis they are statutory financial statements for disclosure purposes in all other aspects.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- disclosure of related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 20.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due.

1 Accounting policies (Continued)

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

-Sale of goods
Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

-Licence fee income
Licence fee income is earned from the royalty agreements with various Licensors, when the ordered goods have been delivered to the customers.

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor vehicles	Over lease term

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.5 Non-current investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

1 Accounting policies (Continued)

Financial assets held at amortised cost

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

1 Accounting policies **(Continued)**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently 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 of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sales	21,233,021	13,608,369

2 Revenue (Continued)

	2025	2024
	£	£
Revenue analysed by geographical market		
UK	18,896,320	12,223,521
Rest of World	-	3,090
Europe	2,336,701	1,381,758
	21,233,021	13,608,369

3 Operating profit

	2025	2024
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange losses/(gains)	25,370	(35,157)
Fees payable to the company's auditor for the audit of the company's financial statements	15,499	19,500
Depreciation of property, plant and equipment	26,346	26,345
Cost of inventories recognised as an expense	18,427,664	11,735,358

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management and administration	4	6
Designers	9	11
Sales	11	10
Quality control	1	2
Total	25	29

4 Employees (Continued)

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	1,295,392	754,893
Social security costs	130,601	82,175
Pension costs	24,245	11,380
	1,450,238	848,448

5 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	52,856	54,015
Company pension contributions to defined contribution schemes	1,313	547
	54,169	54,562

6 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	11,607	4,929
Interest on lease liabilities	1,431	2,358
Interest on other loans	139,098	97,830
	152,136	105,117

7 Taxation

	2025	2024
	£	£
Current tax		
UK corporation tax on profits for the current period	-	44,268

7 Taxation (Continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2025	2024
	£	£
Profit before taxation	292,704	257,978
Expected tax charge based on a corporation tax rate of 25.00% (2024: 25.00%)	73,176	64,495
Effect of expenses not deductible in determining taxable profit	10,659	3,500
Group relief	(83,835)	-
Group relief surrendered	-	(23,727)
Taxation charge for the year	-	44,268

8 Property, plant and equipment

	Motor vehicles
	£
Cost	
At 1 April 2024	89,038
At 31 March 2025	89,038
Accumulated depreciation and impairment	
At 1 April 2024	36,265
Charge for the year	26,346
At 31 March 2025	62,611
Carrying amount	
At 31 March 2025	26,427
At 31 March 2024	52,773

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2025	2024
	£	£
Net values at the year end		
Motor vehicles	26,427	52,773

8 Property, plant and equipment (Continued)

Depreciation charge for the year		
Motor vehicles	26,346	26,345

9 Investments

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Investments in subsidiaries	-	-	50,000	50,000
Investments held at amortised cost	-	-	15,000	15,000
	-	-	65,000	65,000

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost
The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

10 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct	% Held Indirect
Recovered Clothing Limited	Quadrant House, Floor 6, 4 Thomas More Square, London, United Kingdom	Ordinary	75.00	-
Sunny Up Limited	Unit 1 Chivenor Business Park, Barnstaple, Devon, United Kingdom, EX31 4AY	Ordinary	-	75.00
Sunny Up US Limited	1521 Concord Pike Suite 201, Wilmington, Delaware, United States of America, 19803	Ordinary	-	75.00

Sunny Up Limited is a wholly owned subsidiary of Recovered Clothing Limited.

Sunny UP US Limited is a wholly owned subsidiary of Sunny Up Limited.

11 Inventories

	2025	2024
	£	£
Finished goods	16,298	56,873

12 Trade and other receivables

	2025	2024
	£	£
Trade receivables	6,197,170	3,637,206
Provision for bad and doubtful debts	(105,988)	(105,988)
	6,091,182	3,531,218
VAT recoverable	141,528	53,436
Amounts owed by subsidiary undertakings	5,074,345	4,697,366
Amounts owed by fellow group undertakings	70,714	58,264
Other receivables	454,554	160,381
Prepayments and accrued income	907,005	1,342,914
	12,739,328	9,843,579

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Liabilities

		Current		Non-current	
		2025	2024	2025	2024
	Notes	£	£	£	£
Borrowings	14	1,755,214	1,987,415	-	-
Trade and other payables	15	9,616,293	6,292,143	-	-
Corporation tax		147,127	147,127	-	-
Other taxation and social security		28,556	37,991	-	-
Lease liabilities	16	24,209	23,974	1,239	25,448
		11,571,399	8,488,650	1,239	25,448

14 Borrowings

	2025	2024
	£	£
Borrowings held at amortised cost:		
Bank overdrafts	160,283	29,696
Other loans	1,594,931	1,957,719
	1,755,214	1,987,415
	1,755,214	1,987,415

HSBC has a fixed and floating charge over the assets of the company.

The carrying value of all the company's short-term borrowings approximate to their fair value as at the balance sheet date.

15 Trade and other payables

	2025	2024
	£	£
Trade payables	4,150,379	2,176,292
Accruals and deferred income	1,741,557	1,044,286
Other payables	3,724,357	3,071,565
	9,616,293	6,292,143

16 Lease liabilities

	2025	2024
Maturity analysis	£	£
Within one year	21,634	25,404
In two to five years	4,302	31,430
Total undiscounted liabilities	25,936	56,834
Future finance charges and other adjustments	(488)	(7,412)
Lease liabilities in the financial statements	25,448	49,422

16 Lease liabilities **(Continued)**

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2025 £	2024 £
Current liabilities	24,209	23,974
Non-current liabilities	1,239	25,448
	25,448	49,422

Amounts recognised in profit or loss include the following:	2025 £	2024 £
Interest on lease liabilities	1,431	2,358

17 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	24,245	11,380

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

Ordinary share capital	2025 Number	2024 Number	2025 £	2024 £
Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000

19 Related party transactions

	Sales in the period		Purchases in the period		Amounts owed from/(to)	
	2025	2024	2025	2024	2025	2024
	£	£	£	£	£	£
PDS Sourcing Limited	-	-	-	-	-	-
Multinational Textile Group Limited	-	-	-	135,448	-	-
Norlanka Manufacturing Limited	-	-	882,464	1,503,923	(152,789)	(254,744)
Poeticgem International Limited	-	-	-	-	(100,721)	-
Norwest Industries Limited	-	-	-	-	-	-
Poeticgem Limited	299,444	-	342,000	180,000	(3,310,133)	(2,781,680)
Design Arc Asia Limited	-	-	-	-	46,236	(11,535)
Recovered Clothing Limited	154,362	964,362	-	-	4,426,862	4,669,894
Brand Collective Corporation Limited	-	-	-	-	24,478	19,949
PDS Fashions Limited	-	-	-	-	-	(7,950)
Sunny Up Limited	-	-	-	-	647,482	27,472
Spring Near East FZCO	-	-	17,656	-	-	-
Clover Collections FZCO	-	-	-	-	-	38,316

The above balances are interest free and repayable on demand.

Norwest Industries Limited, Hong Kong and Poeticgem International Limited, Hong Kong are fellow subsidiaries of PDS Sourcing Limited, Mauritius.

Poetic Brands Limited owns 75% share in Recovered Clothing Limited. Sunny Up Limited is a subsidiary of Recovered Clothing Limited.

Norwest Industries Limited, Hong Kong owns 98% share in Design Arc Asia Limited, Hong Kong, 95% share in Norlanka Manufacturing Limited and 97% share in Brand Collective Corp Limited.

Poeticgem Limited and PDS Fashions Limited are subsidiaries of PDS Sourcing Limited, Mauritius.

PDS Multinational FZCO owns 75% of Clover Collections FZCO and 85% share in Spring Near East FZCO. PDS Multinational FZCO is 100% owned by Multinational Textile Group Limited

Multinational Textile Group Limited is a subsidiary of PDS Limited.

20 Controlling party

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius and the ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

21 Cash generated from/(absorbed by) operations

	2025	2024
	£	£
Profit for the year before income tax	292,704	257,978
Adjustments for:		
Finance costs	152,136	105,117
Depreciation and impairment of property, plant and equipment	26,346	26,345
Movements in working capital:		
Decrease in inventories	40,575	3,809
Increase in trade and other receivables	(2,895,749)	(2,950,513)
Increase in trade and other payables	3,314,715	1,826,291
Cash generated from/(absorbed by) operations	930,727	(730,973)

22 Analysis of changes in net debt

	1 April 2024	Cash flows	31 March 2025
	£	£	£
Cash at bank and in hand	168,573	522,416	690,989
Bank overdrafts	(29,696)	(130,587)	(160,283)
	138,877	391,829	530,706
Borrowings excluding overdrafts	(1,957,719)	362,788	(1,594,931)
Obligations under finance leases	(49,422)	23,974	(25,448)
	(1,868,264)	778,591	(1,089,673)

22 Analysis of changes in net debt (Continued)

Prior year:	1 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	114,119	54,454	168,573
Bank overdrafts	(28,648)	(1,048)	(29,696)
	85,471	53,406	138,877
Borrowings excluding overdrafts	(996,143)	(961,576)	(1,957,719)
Obligations under finance leases	(72,468)	23,046	(49,422)
	(983,140)	(885,124)	(1,868,264)

POETIC BRANDS LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

POETIC BRANDS LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2025	2024	2024
	£	£	£	£
Revenue				
Sales of goods		21,233,021		13,608,369
Cost of sales		(18,440,990)		(11,735,358)
Gross profit	13.15%	2,792,031	13.76%	1,873,011
Distribution costs		(205,401)		(75,334)
Administrative expenses		(2,141,790)		(1,434,582)
Operating profit		444,840		363,095
Finance costs				
Bank interest on loans and overdrafts	11,607		4,929	
Hire purchase interest payable	1,431		2,358	
Factoring charges	139,098		97,830	
		(152,136)		(105,117)
Profit before taxation	1.38%	292,704	1.90%	257,978

POETIC BRANDS LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cost of sales		
Opening stock of finished goods	56,873	60,682
Purchases and other direct costs		
Direct costs	18,334,684	11,699,840
Carriage inwards and import duty	52,405	31,709
Bank charges	13,326	-
Total purchases and other direct costs	18,400,415	11,731,549
Total cost of sales	18,440,990	11,735,358
Distribution costs		
Commission payable	132,065	41,816
Advertising	10,334	-
Sample costs	63,002	33,518
	205,401	75,334

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Wages and salaries	1,245,392	704,893
Social security costs	130,601	82,175
Subcontract labour	-	6,942
Staff recruitment costs	12,520	3,625
Staff welfare	5,883	7,260
Staff training	-	1,250
Staff pension costs defined contribution	22,932	10,833
Directors' remuneration	50,000	50,000
Directors' pension costs - defined contribution scheme	1,313	547
Management charge	342,000	180,000
Computer running costs	367	6,998
Travelling expenses	85,853	75,696
Postage, courier and delivery charges	1,492	1,214
Professional subscriptions	25,652	34,698
Legal and professional fees	6,670	8,749
Consultancy fees	84,804	70,335
Accountancy	26,744	15,040
Audit fees	15,499	19,500
Charitable donations	785	-
Bank charges	4,550	11,999
Bad and doubtful debts	-	20,988
Insurances (not premises)	3,446	8,204
Other office supplies	7,283	-
Entertaining	16,288	14,001
Corporate charges	-	108,447
Depreciation	26,346	26,345
Profit or loss on foreign exchange	25,370	(35,157)
	2,141,790	1,434,582

RSign™

Envelope Data

Subject:	Poetic Brands Ltd
Documents:	Poetic Brands Ltd - Minutes.pdf,Poetic Brands Ltd - LOR.pdf,Poetic Brands Ltd - FS.pdf
Document Hash:	vJfmt/gmjVqM6h973c8N4EjAJcvL6rzRjbxY3wVAVTc=
Envelope ID:	ENV68216800-2418-EAED-8817-FDEB
Sender:	Muhammad Haider
Sent:	10/05/2025 15:54 PM UTC
Status:	Completed
Status Date:	11/05/2025 07:49 AM UTC

Access Authentication:	None
Email Access Code:	Not Enabled
Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Anuj Banaik	Anujb@poeticgem.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer
Mehul Bhagat	mehul@poeticgem.com	Cc

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	10/05/2025 15:54 PM UTC	Created
Anuj Banaik	Anujb@poeticgem.com	81.108.92.191	11/05/2025 07:39 AM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	11/05/2025 07:49 AM UTC	Signed
			11/05/2025 07:49 AM UTC	**Status - Completed**

Carbon Copy Events

Name / Roles	Email	Sent
Mehul Bhagat	mehul@poeticgem.com	11/05/2025 07:49 AM UTC

Signer Signatures

Signer Name / Roles	Signature	Initials
Anuj Banaik	Anuj banaik	
Vinod Vadgama	V Vadgama	

Company registration number 02608346 (England and Wales)

POETICGEM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

POETICGEM LIMITED

COMPANY INFORMATION

Directors	Mr A Banaik Dr A Bhupatkar Mr K Kanodia Mr A Kanoi
Secretary	Mr K Kanodia
Company number	02608346
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

POETICGEM LIMITED

CONTENTS

POETICGEM LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

The company has delivered a stable performance for the financial year, demonstrating the strength of its business model and operational discipline in a challenging market environment. The company’s financial position at year-end remains robust, and we are confident in our ability to deliver sustained growth over the coming years.

We are proud to acknowledge the significant contributions of our employees, management team, and commercial partners which continues to be the driving force behind our achievements.

Throughout the year, we made meaningful progress on several strategic fronts. Key initiatives included geographic expansion into high-potential markets, an enhanced focus on product innovation to meet evolving consumer preferences. These initiatives have strengthened our competitive position and created a solid foundation for future scalability and long-term value creation.

A core area of focus continues to be the growth of our Design led business through long-term strategic partnerships along with Conceptualizing and Curating Brands.

In addition to financial performance, we have placed increased emphasis on agility, customer-centricity, and operational excellence, which will continue to underpin our strategy in the years ahead. The Board is confident that these priorities will enable the company to capitalise on new opportunities and deliver sustainable value.

The company's key performance indicator is measured by reference to maintaining growth in net profit.

Profit before tax in 2024 of £453,240 has decreased to £286,621.

Other key financial performance indicators can be summarised as follows:

i) Improvement and efficiency of asset usage	**2025**	**2024**
a) Average credit period for trade receivables	52 days	38 days

ii) Financial stability of the company	**2025**	**2024**
Working capital ratio	1.28:1	2.75:1
Liquidity ratio	1.24:1	2.70:1

Principal risks and uncertainties
The main risks of the company are summarised below:

Currency risk
Expenses and revenue of the company are mainly denominated in USD and GBP. As a result, the company is subject to risk of foreign currency movements. It is the company's policy to monitor this risk and to take necessary steps to minimise any adverse effects.

Liquidity risk
Liquidity risk is the risk that the company may encounter in meeting its financial liabilities obligations as they fall due. During the year, the company continued to be funded from liquid resources retained in the UK. The directors continue to monitor the company's liquidity, taking steps, wherever necessary, to ensure that financial obligations and commitments are met as and when they fall due.

Market risk
Pressure on margins: As the competition amongst value retailers is increasing, profit margins are under constant pressure. However, the company is spreading its customer base from value retailers to high margin fashion retailers to counter this risk.

Credit Risk
Credit risk arises from trade receivables where the party fails to discharge their obligation in relation to the instrument. To minimise the risk, management have appropriate credit assessment methods in place to establish credit worthiness of new customers and monitor receivables by regularly reviewing aged receivable reports.

The main uncertainties of the company are summarised below:

Inflationary Pressure

Continued rise of global material cost including cotton and also increased cost of logistic services is exerting significant pressure on fashion garment industry. The Company is working along with its suppliers and customers towards providing possible solutions and improving efficiency in the supply chain to mitigate its impact.

Other information and explanations

- Environmental policy

The company recognises the importance of environmental responsibilities and where practical has an environmental policy in place which includes challenging sustainability agenda including increased trading of responsibly sourced garments and recycling of paper and all office materials. The directors believe the nature of its activities has a minimal effect on the environment.

- *Health and safety*

The company recognises the importance of safeguarding the health, safety and welfare of its employees and has a health and safety policy in place. Regular updates are communicated to all employees.

-*Employees*

The company aims to ensure that the employees work in a safe and healthy environment. The company encourages the workforce to be involved by providing appropriate training, learning and career development programmes. It is also making information available to employees through the medium of frequent staff meetings, together with personal appraisals and feedback sessions.

On behalf of the board

Krishna Kanodia

....

Mr K Kanodia

Director

Date: 11/05/2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The company's primary activities include Designing, Importing, and Distribution of Cloths, alongside Conceptualizing and Curating Brands.

Results and dividends
The results for the year are set out on page 11.

Ordinary dividends were paid amounting to £1,199,998 (2024: £nil). The directors do not recommend payment of a final dividend.

Future developments
The Directors remain confident in the company’s long-term strategic direction and are committed to delivering sustainable and profitable growth. Looking ahead, the business will continue to pursue initiatives that support market expansion, operational efficiency, and product diversification.

A key priority for the company is to strengthen its presence in both domestic and international markets through targeted geographical expansion and deepening of existing commercial relationships. Investment in brand development and innovation will continue to play a central role in responding to evolving consumer trends and enhancing market competitiveness.

The company also intends to build on Curating Brands by establishing new strategic partnerships with well-established celebrities. These partnerships are expected to generate stable, recurring revenues and reinforce the company’s market position.

In parallel, a strong focus will remain on cost discipline and operational excellence. Management will continue to optimise supply chain efficiencies and implement scalable systems and processes that support sustainable growth.

Digital transformation is also a strategic focus area. The company is exploring opportunities to enhance its digital capabilities, streamline operations, and improve data-driven decision-making, all of which are expected to contribute to long-term value creation.

The Directors are optimistic about the future and believe that the company is well positioned to capitalise on emerging opportunities, manage potential risks, and achieve sustained growth and success.

Going concern
The directors confirm that, having reviewed the company’s forecasts, they consider that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Banaik
Dr A Bhupatkar
Mr K Kanodia
Mr A Kanoi

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

Krishna Kanodia

....

Mr K Kanodia

Director

Date: 11/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETICGEM LIMITED

Opinion

We have audited the financial statements of Poeticgem Limited (the 'company') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF POETICGEM LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POETICGEM LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Date: 11/05/2025

Chartered Accountants
Statutory Auditor

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	3	28,276,847	22,546,170
Cost of sales		(13,515,462)	(8,849,470)
Gross profit		14,761,385	13,696,700
Other operating income		549,094	129,338
Distribution costs		(1,129,741)	(1,485,056)
Administrative expenses		(13,565,784)	(11,863,180)
Operating profit	4	614,954	477,802
Investment revenues	8	9,118	8,024
Finance costs	9	(337,452)	(32,586)
Profit before taxation		286,620	453,240
Income tax expense	10	-	(111,592)
Profit and total comprehensive income for the year		286,620	341,648

The income statement has been prepared on the basis that all operations are continuing operations.

POETICGEM LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Non-current assets			
Intangible assets	**12**	781,826	1,146,187
Property, plant and equipment	**13**	9,879,638	984,962
Investments	**14**	43,424	44,278
Other receivables	**16**	5,413,388	65,676
		16,118,276	2,241,103
Current assets			
Inventories	**15**	499,640	314,522
Trade and other receivables	**16**	13,234,524	14,283,762
Cash and cash equivalents		1,963,236	718,963
		15,697,400	15,317,247
Current liabilities			
Trade and other payables	**18**	9,005,643	3,817,846
Current tax liabilities		179,503	787,803
Borrowings	**21**	1,958,440	656,234
Lease liabilities	**20**	1,015,854	223,933
		12,159,440	5,485,816
Net current assets		3,537,960	9,831,431
Non-current liabilities			
Lease liabilities	**20**	8,791,218	341,520
Deferred tax liabilities	**22**	53,467	53,467
		8,844,685	394,987
Net assets		10,811,551	11,677,547
Equity			
Called up share capital	**26**	50,000	50,000
Cashflow hedge	**27**	(23,267)	10,647
Share-based payments reserve	**28**	1,040,222	958,926
Retained earnings		9,744,596	10,657,974
Total equity		10,811,551	11,677,547

POETICGEM LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2025

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 11/05/2025 and are signed on its behalf by:

Krishna Kanodia

....

Mr K Kanodia
Director

Company registration number 02608346 (England and Wales)

POETICGEM LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital	Cashflow hedge	Share-based payments reserve	Retained earnings	Total
		£	£	£	£	£
Balance at 1 April 2023		50,000	(66,448)	740,594	10,316,326	11,040,472
Year ended 31 March 2024:						
Profit and total comprehensive income		-	-	-	341,648	341,648
Transactions with owners:						
Other movements		-	77,095	218,332	-	295,427
Balance at 31 March 2024		50,000	10,647	958,926	10,657,974	11,677,547
Year ended 31 March 2025:						
Profit and total comprehensive income		-	-	-	286,620	286,620
Transactions with owners:						
Dividends	**11**	-	-	-	(1,199,998)	(1,199,998)
Other movements		-	(33,914)	81,296	-	47,382
Balance at 31 March 2025		50,000	(23,267)	1,040,222	9,744,596	10,811,551

POETICGEM LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**34**		3,064,555		(4,546,281)
Interest paid			(337,452)		(32,586)
Income taxes paid			(608,300)		-
Net cash inflow/(outflow) from operating activities			2,118,803		(4,578,867)
Investing activities					
Purchase of intangible assets		-		(801,653)	
Purchase of property, plant and equipment		(150,749)		(193,394)	
Proceeds from disposal of investments		854		5,158	
Interest received		9,118		8,024	
Net cash used in investing activities			(140,777)		(981,865)
Financing activities					
Proceeds from new bank loans		1,188,369		402,677	
Payment of lease liabilities		(835,961)		(332,205)	
Dividends paid		(1,199,998)		-	
Net cash (used in)/generated from financing activities			(847,590)		70,472
Net increase/(decrease) in cash and cash equivalents			1,130,436		(5,490,260)
Cash and cash equivalents at beginning of year			465,406		5,955,666
Cash and cash equivalents at end of year			1,595,842		465,406
Relating to:					
Bank balances and short term deposits			1,963,236		718,963
Bank overdrafts			(367,394)		(253,557)

1 Accounting policies

Company information

Poeticgem Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

-Sale of goods

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

-Commission receivable

Commission receivable is earned when the supplier delivers to the end customers.

-Rental income

Rental income is earned at arm’s length on the freehold property which is occupied by a third party. Rental income under operating leases is credited to the statement of comprehensive income on a straight line basis over the term of the lease.

-Interest income

Interest revenue is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable.

-Corporate income

Corporate income represents the recovery of cost of services rendered by senior management. It is accounted for on an accrual basis.

1 Accounting policies **(Continued)**

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Product Development Costs	3 years straight line

The product is in its development stage and will be amortised once the product has been launched.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	1% straight line on long lease and over lease term for short lease
Fixtures, fittings & equipment	25% reducing balance
Plant and machinery	33.33% reducing balance
Motor vehicles	25% reducing balance

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company’s business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

Available-for-sale assets are non-derivatives that are either deisngated in this cateogry or not classified in any other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets are stated at fair value.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies **(Continued)**

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are classified as current.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

The parent company PDS Limited (formerly PDS Multinational Fashions Limited) has issued share options to certain directors and employees. These are measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the Black - Scholes option pricing model. The fair value will be charged as an expense in the profit or loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

1 Accounting policies **(Continued)**

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.17 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently 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 of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1 Accounting policies **(Continued)**

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the company’s accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Share-based payments

The Group operates an employee compensation scheme, settled in equity. The fair value of equity-settled share-based payment arrangements requires significant judgement in the determination of the valuation of options, or the assumptions regarding vesting conditions being met, which will affect the expense recognised during the period.

These assumptions include the future volatility of the Company's share price, future dividend yield and the rate that which awards will lapse or be forfeited. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. The fair value attributed to the awards, and hence the charge made in the income statement, could be materiality affected should different assumptions be made to those applied by the Group. Details of these assumptions are set out in note 24. The Group uses a professional valuer in the determination of the fair value of options at grant date.

Development costs

The director would assess and apply judgement on whether costs incurred in the development of the intangible assets meet the conditions required for capitlisation.

2 Critical accounting estimates and judgements (Continued)

Valuation of lease liability & right-of-use asset

The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities and the right-of-use assets. These include determining the interest rate used for discounting of future cashflows. The present value of the lease payment is determined using the discount rate representing the company’s incremental borrowing rate.

Key sources of estimation uncertainty

Interest-bearing loans and borrowings

Interest-bearing bank loans and overdrafts are recorded as the proceeds received, net of direct issue costs. Finance charges are accounted for on an accruals basis in the statement of comprehensive income using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Derivative financial instruments and hedge accounting

The company uses derivative financial instruments such as forward currency contracts to hedge its exposure to exchange rate movements on merchandise purchases, certain other costs and sales denominated in foreign currencies.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The company applies cash flow hedge accounting whereby changes in the fair value of the hedging instrument are recognised directly in equity rather than the statement of comprehensive income. When the hedged item is recognised in the financial statements, the accumulated gains and losses are removed from equity and recognised in the profit and loss.

Hedge effectiveness testing is carried out retrospectively and prospectively and where ineffectiveness arises on hedged item, the changes in fair value are taken directly to the statement of comprehensive income for the year.

3 Revenue

An analysis of the company's revenue is as follows:

	2025	2024
	£	£
Revenue analysed by class of business		
Sale of garments	12,928,594	8,939,626
Commission receivable	15,348,253	13,606,544
	28,276,847	22,546,170

3 Revenue (Continued)

	2025	2024
	£	£
Revenue analysed by geographical market		
UK	12,928,594	8,561,933
Europe	-	401,333
Rest of the world	15,348,253	13,582,904
	28,276,847	22,546,170

4 Operating profit

	2025	2024
Operating profit for the year is stated after charging/(crediting):	£	£
Exchange losses	23,076	193,502
Depreciation of property, plant and equipment	1,115,856	443,751
Amortisation of intangible assets (included within administrative expenses)	364,361	-
Cost of inventories recognised as an expense	13,515,462	8,849,470
Share-based payments	80,117	218,332

5 Auditor's remuneration

	2025	2024
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	37,298	30,806
For other services		
Other services	16,750	58,028

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Designers	59	58
Sales	39	29
Management and administration	28	24
Quality Control	16	15
Total	142	126

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	8,092,471	7,998,956
Social security costs	993,960	1,015,036
Pension costs	226,117	129,905
	9,312,548	9,143,897

7 Directors' remuneration

	2025 £	2024 £
Remuneration for qualifying services	479,403	533,757
Company pension contributions to defined contribution schemes	2,642	2,311
	482,045	536,068

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2024 - 2).

The number of directors who exercised share options during the year was 2 (2024 - 2).

The number of directors who are entitled to receive shares under long term incentive schemes during the year was 2 (2024 - 2).

7 Directors' remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2025	2024
	£	£
Remuneration for qualifying services	374,000	430,054
Company pension contributions to defined contribution schemes	1,321	991

The highest paid director has exercised share options during the year.

8 Investment income

	2025	2024
	£	£
Interest income		
Financial instruments measured at amortised cost:		
Bank deposits	9,118	8,024

Income above relates to assets held at amortised cost, unless stated otherwise.

9 Finance costs

	2025	2024
	£	£
Interest on bank overdrafts and loans	44,298	9,481
Interest on lease liabilities	293,154	23,105
Total interest expense	337,452	32,586

10 Income tax expense

	2025	2024
	£	£
Current tax		
UK corporation tax on profits for the current period	-	105,000
Deferred tax		
Origination and reversal of temporary differences	-	6,592
Total tax charge	-	111,592

The charge for the year can be reconciled to the profit per the income statement as follows:

	2025	2024
	£	£
Profit before taxation	286,620	453,240
Expected tax charge based on a corporation tax rate of 25.00% (2024: 23.52%)	71,655	106,602
Tax losses surrendered from group company	(71,655)	-
Timing differences	-	(1,602)
Fixed asset differences	-	6,592
Taxation charge for the year	-	111,592

11 Dividends

Amounts recognised as distributions:	2025 per share	2024 per share	2025 Total	2024 Total
	£	£	£	£
Ordinary shares				
Interim dividend paid	23.99	-	1,199,998	-

12 Intangible assets

	Product Development Costs
	£
Cost	
At 1 April 2023	344,534
Additions	801,653
At 31 March 2024	1,146,187
At 31 March 2025	1,146,187
Amortisation and impairment	
Charge for the year	364,361
At 31 March 2025	364,361
Carrying amount	
At 31 March 2025	781,826
At 31 March 2024	1,146,187
At 31 March 2023	344,534

13 Property, plant and equipment

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2023	2,803,386	1,935,214	919,335	293,793	5,951,728
Additions	94,490	154,024	63,531	107,276	419,321
At 31 March 2024	2,897,876	2,089,238	982,866	401,069	6,371,049
Additions	9,938,460	110,659	40,090	139,120	10,228,329
Disposals	(760,147)	(1,175,783)	(851,724)	-	(2,787,654)
At 31 March 2025	12,076,189	1,024,114	171,232	540,189	13,811,724
Accumulated depreciation and impairment					
At 1 April 2023	2,241,004	1,635,649	889,830	175,853	4,942,336
Charge for the year	233,317	167,401	2,854	40,179	443,751
At 31 March 2024	2,474,321	1,803,050	892,684	216,032	5,386,087
Charge for the year	881,540	110,161	26,266	97,889	1,115,856
Eliminated on disposal	(630,774)	(1,087,508)	(851,575)	-	(2,569,857)
At 31 March 2025	2,725,087	825,703	67,375	313,921	3,932,086
Carrying amount					
At 31 March 2025	9,351,102	198,411	103,857	226,268	9,879,638
At 31 March 2024	423,555	286,188	90,182	185,037	984,962

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	**2025**	**2024**
	£	£
Net values at the year end		
Property	9,350,700	345,221
Motor vehicles	216,110	185,037
	9,566,810	530,258
Total additions in the year	10,077,580	225,927

13 Property, plant and equipment (Continued)

Depreciation charge for the year		
Property	881,540	221,344
Motor vehicles	91,860	40,179
	973,400	261,523

14 Investments

	Current		Non-current	
	2025	**2024**	**2025**	**2024**
	£	**£**	**£**	**£**
Other investments	-	-	43,424	44,278

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost
Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

15 Inventories

	2025	2024
	£	£
Finished goods	499,640	314,522

16 Trade and other receivables

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Trade receivables	4,026,585	2,336,445	-	-
VAT recoverable	92,624	377,570	-	-
Amounts owed by fellow group undertakings	7,545,580	10,297,885	-	-
Amounts owed by related parties	148,416	145,902	-	-
Other receivables	966,397	629,209	5,413,388	65,676
Prepayments	454,922	496,751	-	-
	13,234,524	14,283,762	5,413,388	65,676

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

17 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

18 Trade and other payables

	2025	2024
	£	£
Trade payables	890,993	1,129,386
Amounts owed to fellow group undertakings	6,442,114	1,461,793
Amounts owed to related parties	2,493	3,568
Accruals	444,732	678,303
Social security and other taxation	545,878	452,192
Other payables	679,433	92,604
	9,005,643	3,817,846

19 Fair value of financial liabilities

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

20 Lease liabilities

Maturity analysis	2025 £	2024 £
Within one year	1,400,200	239,892
In two to five years	5,096,940	355,597
In over five years	5,097,920	-
Total undiscounted liabilities	11,595,060	595,489
Future finance charges and other adjustments	(1,787,988)	(30,036)
Lease liabilities in the financial statements	9,807,072	565,453

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2025 £	2024 £
Current liabilities	1,015,854	223,933
Non-current liabilities	8,791,218	341,520
	9,807,072	565,453

Amounts recognised in profit or loss include the following:	2025 £	2024 £
Interest on lease liabilities	293,154	23,105

Other leasing information is included in note 30.

21 Borrowings

	2025	2024
	£	£
Borrowings held at amortised cost:		
Bank overdrafts	367,394	253,557
Bank loans	1,591,046	402,677

Bank loans are arranged at floating rates, thus exposing the company to cash flow interest rate risk.

The other principal features of the company's borrowings are as follows:

i) Bank overdrafts are repayable on demand. The average effective interest rate on bank overdrafts approximates to 6.99 percent per annum and is determined based on 2 percent plus base rate.

At 31 March 2025, the company had available £2,500,000 (2024: £2,500,000) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

The company has advances from factors that are secured by a charge on the trade receivables of the company.

The carrying value of all the company's long term borrowings approximate to their fair value as at the balance sheet date.

22 Deferred taxation

	Liabilities	
	2025	2024
	£	£
Deferred tax balances	53,467	53,467

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs
	£
Liability at 1 April 2023	46,875
Deferred tax movements in prior year	
Charge/(credit) to profit or loss	6,592
Liability at 1 April 2024 and 31 March 2025	53,467

22 Deferred taxation **(Continued)**

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

23 Derivative financial instruments

	2025	2024
	£	£
Forward foreign exchange (fair value)	(23,267)	10,648

The terms of the forward foreign exchange contracts have been negotiated to match the terms of the commitments referred to below.

The cash flow hedges of the expected future purchases were assessed to be highly effective and as at 31 March 2025, a recognised loss of £23,267 (2024: gain of £10,648) was included in the hedging reserves in respect of these contracts.

At the balance sheet date, the total notional amounts of outstanding forward foreign exchange contracts that the group has committed to are as follows:

	2025	2024
	£	£
Forward foreign exchange contracts (cash flow hedges)	6,414,449	2,163,943

These commitments have been entered into to hedge against future payments to suppliers in the ordinary course of business.

24 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	226,117	129,905

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

25 Share-based payments

	Number of share options		Average exercise price	
	2025	2024	2025	2024
	Number	Number	INR	INR
Outstanding at 1 April 2024	550,375	1,047,500	174.91	162.70
Forfeited in the period	-	(72,500)	-	219.00
Exercised in the period	(270,000)	(424,625)	133.30	137.26
Outstanding at 31 March 2025	280,375	550,375	109.52	174.91

Options outstanding

The options outstanding at 31 March 2025 has an exercise price in range of INR 133 to INR 174.91 (2024: INR 137.26 to INR 219) and a weighted average contractual life of 0.6 years (2024 : 1.6 years).

The weighted-average share price at the date of exercise for share options exercised in 2024 was INR133.30 (2024: INR137.26).

Expenses

Related to equity settled share based payments	80,117	218,332

25 Share-based payments **(Continued)**

Share options were granted to the employees of the company on 03/07/2021 and 22/10/2021. There are performance conditions attached to these options. Options granted under this plan vest as follows;

For the Share options granted on 03/07/2021

a. 30% of the options vest at the end of 1st year from the date of Grant,
b. 30% of the options vest at the end of 2nd year from the date of Grant,
c. 40% of the options vest at the end of 3rd year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling the conditions as set out in the grant letter.

For the Share options granted on 22/10/2021

a. 25% of the options vest at the end of 1st year from the date of Grant,
b. 25% of the options vest at the end of 2nd year from the date of Grant,
c. 25% of the options vest at the end of 3rd year from the date of Grant,
d. 25% of the options vest at the end of 4th year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling of certain conditions as mentioned in the grant letter.

Both options were valued used the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculations are as follows;

Grant date	03/07/2021	22/10/2021
Share price at grant date	INR 199.80	INR 273.80
Exercise price	INR 130.00	INR 219.00
Number of employees	1	16
Shares under option	650,000	377,500
Vesting period (years)	3	4
Option life (years)	3	4
Expected life (years)	3	4
Fair value per option;		
Year 1	INR 83.80	INR 94.80
Year 2	INR 90.00	INR 107.00
Year 3	INR 95.40	INR 117.20
Year 4	-	INR 125.20

The exercise price, and hence the fair value, of the options is denominated in INR and has been translated in the table above at the exchange rate on the date of grant being INR 103.194 = £1.

26 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000

27 Cashflow hedge

	2025	2024
	£	£
At the beginning of the year	10,647	(66,448)
Other movements	(33,914)	77,095
At the end of the year	(23,267)	10,647

28 Share-based payments reserve

	2025	2024
	£	£
At the beginning of the year	958,926	740,594
Other movements	81,296	218,332
At the end of the year	1,040,222	958,926

29 Contingent liabilities

At 31 March 2025, the company had the following contingent liabilities:

The company's bankers, HSBC plc have given the following guarantee on behalf of the group:

HM Revenue and Customs	£500,000
RBS PLC	£36,935

The bank has a fixed and floating charge over the assets of the company which is supported by a debenture dated 11 September 2012.

The company has agreed to act as a guarantor in respect of properties leased by fellow group entities.

The total rents payable on these leases for the term of the leases are as follows:

	2025
	£
Future rents payable	616,786

30 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2025	2024
	£	£
Expense relating to short-term leases	2,105	17,152
Expense relating to variable lease payments not included in lease liabilities	217,660	91,839

Information relating to lease liabilities is included in note 20.

31 Capital risk management

The company aims to manage its overall capital to ensure that it continues to operate as a going concern and maintains sufficient financial flexibility to undertake planned investments, whilst providing adequate return to shareholders.

The company's capital structure is reviewed on a quarterly basis to ensure that an appropriate level of gearing is being used.

The company calculates its gearing ration as borrowings, including current and non-current borrowings, divided by total capital as represented by borrowings less cash and cash equivalents plus total equity.

32 Related party transactions

	Rent/commission and other income		Purchases/commission and other expenses		Amounts owed from/(to) related party	
	2025	2024	2025	2024	2025	2024
	£	£	£	£	£	£
Norwest Industries Limited	-	77,118	-	-	(2,364)	96,545
Nor Lanka Manufacturing Limited	-	-	84,243	-	(80,591)	1,878
PDS Online Enterprises UK Limited	-	-	-	-	15,586	-
Sunny Up Limited	-	-	-	-	5,472	(2,373)
Simple Approach Limited	-	-	-	-	(35,986)	(35,982)
Poeticgem International Limited	941,601	2,789,369	-	-	(1,934,020)	(128,772)
Spring Near East FZCO Limited	-	-	4,459	-	-	2,414
Spring Design London Limited	-	-	-	-	345,453	345,453
Design Arc UK Ltd	-	-	-	-	20,174	24,290
Zamira Fashion Limited	-	-	-	-	3,593	7,122
PDS Fashion USA Limited	510,418	-	-	-	510,889	-
Green Smart Shirts Limited	92,988	-	-	141,795	92,988	6,540
Progress Apparels (Bangladesh) Limited	-	-	1,933,307	1,827,823	(996,532)	(823,669)
PDS Asia Star Corporation Limited	-	-	-	-	300	43
Techno Design HK	-	-	-	-	-	(3,101)
PDS Radius Brands Ltd	-	-	100,719	-	-	-
PDS Tailoring Ltd	-	-	-	-	7,052	3,580
Design Arc Europe Ltd	-	-	-	-	-	6,801
SpringNearEast Mfg. C	-	-	-	-	(12,782)	-
Poetic Brands Ltd	342,000	-	299,444	-	3,310,133	2,781,679
PDS Fashions Hong Kong Ltd	-	-	831,000	84,000	302,520	62,330
Moda & Beyond Ltd	-	-	459,219	-	1,694,100	838,808
Clover Collections Ltd	-	-	-	-	756,488	308,720
Clover Collections FZCO	144,000	-	-	-	(937,839)	5,949
Brand Collective Corporation Limited	-	-	-	-	3,661	7,981
PDS Lifestyle Limited	-	-	-	-	5,290,212	5,800,200
PDS Lifestyle FZCO	-	-	-	-	4,116	4,116
Progress manufacturing Group Ltd	-	-	-	-	258,018	237
Poeticgem International FZCO	10,003,755	8,520,509	-	-	(2,442,000)	(467,895)
Poeticgem Europe Limited	-	-	-	-	214,312	-

32 Related party transactions **(Continued)**

Wonderwall (F.E.) Ltd	-	-	-	-	725	-

The above balances are interest free & repayable on demand.

The above companies are related as follows:

The ultimate parent of Poeticgem Limited is PDS Limited, a company registered in India.

The immediate parent company of Poeticgem Limited is PDS Sourcing Limited, a company registered in Mauritus.

PDS Far-East Limited, Hong Kong, Clover Collections Limited, Hong Kong, and PDS Tailoring Limited are wholly owned subsidiaries of Norwest Industries Limited, Hong Kong, which also owns 100% share in Nor Lanka Manufacturing Limited, Hong Kong,

PDS sourcing Mauritius Limited, Mauritius owns 100% share in PDS Fashions Limited, 100% share in PDS lifestyle limited,100% share in Poeticgem International Limited, Hong Kong, 100% share in Casa Forma Limited, 51% share in Grupo Sourcing Limited, Hong Kong, 51% share in PG Group Limited, Hong Kong, 60% share in PDS Asia Star Corporation Limited, Hong Kong, 75% share in Green Apparel Industries Limited and PDS sourcing Mauritius owns 63% share in Moda & Beyond Limited.

PDS Sourcing Limited, Mauritius owns 85% share in Design Arc UK Limited, 60% in Poetic Brands Limited and 15% Recovered Clothing Limited. Poetic Brands owns 75% in Recovered Clothing Limited.

Recovered clothing Limited owns 100% shares in Sunny Up Limited.

Norwest Industries Limited, Hong Kong owns 100% share in 360 Notch Ltd, 98% share in Design Arc Asia Limited, Hong Kong, 65% share in Spring Near East Manufacturing Limited, Hong Kong, 57.5% share in JJ Star Industries, Hong Kong 75% share in Krayon Sourcing Limited, Hong Kong, 70% share in Design Arc Europe Limited, Hong Kong, 60% share in Fareast Vogue Limited, 98% share in Twins Asia Limited, Hong Kong, 51% share in Kleider Sourcing Hong Kong Limited, Hong Kong and 51% share in Sourcing Solutions Limited.

Norwest Industries Limited, Hong Kong, Zamira Fashion Limited, Hong Kong, Blueprint Design Ltd, Hong Kong, Nor Delhi Manufacturing Limited, Hong Kong, Digital Internet Technologies Limited, Hong Kong, Green Smart Shirts Limited, Bangladesh, Progress Manufacturing Group Ltd, Hong Kong, Progress Apparels (Bangladesh) Limited, Bangladesh, Techno Design HK Limited, Hong Kong and Simple Approach Limited, Hong Kong are subsidiaries of Multinational Textiles Group Limited, Mauritius which is a wholly owned subsidiary of PDS Limited, India.

Multinational Textile Group Limited, Mauritius is a wholly owned subsidiary of the ultimate parent company, PDS Limited, India.

PDS Multinational FZCO owns 75% shares in Poeticgem International FZCO, 100% shares in PDS Lifestyle Limited FZCO AND 75% in Clover collections FZCO.

Brand Collective Limited (HK) owns 100% shares in Brand Collective Corporation Limited.

32 Related party transactions (Continued)

Loans and advances to key management of the company and their close family members:

	2025 £	2024 £
At the start of the year	142,334	(4,651)
Amount advanced during the period	120,474	471,985
Amounts repaid during the period	(115,032)	(325,000)
At the end of the year	147,776	142,334

The above loans are repayable on demand.

33 Controlling party

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius, and the ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Corporate Office: Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

34 Cash generated from/(absorbed by) operations

	2025 £	2024 £
Profit for the year before income tax	286,620	453,240
Adjustments for:		
Finance costs	337,452	32,586
Investment income	(9,118)	(8,024)
Loss on disposal of property, plant and equipment	217,797	-
Amortisation and impairment of intangible assets	364,361	-
Depreciation and impairment of property, plant and equipment	1,115,856	443,751
Equity settled share based payment expense	80,117	218,332
Movements in working capital:		
(Increase)/decrease in inventories	(185,118)	49,942
Increase in trade and other receivables	(4,298,474)	(6,222,925)
Increase in trade and other payables	5,155,062	486,817
Cash generated from/(absorbed by) operations	3,064,555	(4,546,281)

34 Cash generated from/(absorbed by) operations (Continued)

35 Analysis of changes in net debt

	1 April 2024	Cash flows	New finance leases	31 March 2025
	£	£	£	£
Cash at bank and in hand	718,963	1,244,273	-	1,963,236
Bank overdrafts	(253,557)	(113,837)	-	(367,394)
	465,406	1,130,436	-	1,595,842
Borrowings excluding overdrafts	(402,677)	(1,188,369)	-	(1,591,046)
Obligations under finance leases	(565,453)	835,961	(10,077,580)	(9,807,072)
	(502,724)	778,028	(10,077,580)	(9,802,276)

	1 April 2023	Cash flows	New finance leases	31 March 2024
Prior year:	£	£	£	£
Cash at bank and in hand	5,955,666	(5,236,703)	-	718,963
Bank overdrafts	-	(253,557)	-	(253,557)
	5,955,666	(5,490,260)	-	465,406
Borrowings excluding overdrafts	-	(402,677)	-	(402,677)
Obligations under finance leases	(671,731)	332,205	(225,927)	(565,453)
	5,283,935	(5,560,732)	(225,927)	(502,724)

POETICGEM LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

POETICGEM LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2025	2024	2024
	£	£	£	£
Revenue				
Sales of goods		12,928,594		8,939,626
Commission receivable		15,348,253		13,606,544
		28,276,847		22,546,170
Cost of sales		(13,515,462)		(8,849,470)
Gross profit	52.20%	14,761,385	60.75%	13,696,700
Other operating income				
Sundry income	572,170		322,840	
Exchange (gain)/loss	(23,076)		(193,502)	
		549,094		129,338
Distribution costs		(1,129,741)		(1,485,056)
Administrative expenses		(13,565,784)		(11,863,180)
Operating profit		614,954		477,802
Investment revenues				
Bank interest received	9,118		8,024	
		9,118		8,024
Finance costs				
Bank interest on loans and overdrafts	44,298		9,481	
Finance lease interest payable	293,154		23,105	
		(337,452)		(32,586)
Profit before taxation	1.01%	286,620	2.01%	453,240

POETICGEM LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cost of sales		
Opening stock of finished goods	314,522	364,464
Purchases and other direct costs		
Finished goods purchases	12,948,161	8,065,364
Direct costs	437,282	329,418
Designing expenses	294,638	360,913
Testing charges	20,499	43,833
Total purchases and other direct costs	13,700,580	8,799,528
Total cost of sales	13,515,462	8,849,470

	2025	2024
Distribution costs		
Motor running expenses	687,564	559,681
Agents commission	(7,367)	107,257
Advertising	76,223	89,412
Samples	321,907	569,564
Entertaining	51,414	159,142
	1,129,741	1,485,056

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Wages and salaries	7,538,354	7,250,579
Social security costs	931,059	944,407
Staff recruitment costs	140,251	93,007
Staff welfare	224,661	197,824
Staff training	66,684	139,003
Staff pension costs defined contribution	223,475	127,594
Equity settled share based payment costs	80,117	218,332
Directors' remuneration	474,000	530,045
Directors' social security costs	62,901	70,629
Directors' pension costs - defined contribution scheme	2,642	2,311
Rent re operating leases	217,660	91,839
Rates	221,060	115,238
Cleaning	78,731	72,150
Power, light and heat	24,504	38,177
Repairs and maintenance	324,383	25,586
Insurance	147,948	202,772
Computer running costs	143,854	125,840
Leasing - motor vehicles	2,105	17,152
Legal and professional fees	155,655	170,910
Consultancy fees	89,347	129,556
Non audit remuneration paid to auditors	16,750	58,028
Audit fees	37,298	30,806
Charitable donations	1,000	26,000
Bank charges	104,781	53,019
Printing and stationery	463,299	427,974
Telecommunications	47,545	60,176
Sundry expenses	230,345	191,409
Amortisation	364,361	-
Depreciation	1,115,856	443,751
Factoring charges	35,158	9,066
	13,565,784	11,863,180

Envelope Data

Subject:	Poeticgem Ltd		
Documents:	Poeticgem Ltd - Minutes.pdf,Poeticgem Ltd - LOR.pdf,Poeticgem Ltd - FS.pdf		
Document Hash:	S6UC07JEb4RAgHLWuKLxuYzQTWcBuxGwTl/AvVMfMJ8=		
Envelope ID:	ENV58226403-7351-CBEE-5321-ECDA		
Sender:	Muhammad Haider		
Sent:	11/05/2025 19:46 PM UTC		
Status:	Completed	Access Authentication:	None
Status Date:	11/05/2025 19:52 PM UTC	Email Access Code:	Not Enabled
		Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Krishna Kanodia	krishna@poeticgem.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer
Mehul Bhagat	mehul@poeticgem.com	Cc

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	11/05/2025 19 :46 PM UTC	Created
Krishna Kanodia	krishna@poeticgem.com	81.109.180.172	11/05/2025 19 :49 PM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	11/05/2025 19 :52 PM UTC	Signed
			11/05/2025 19 :52 PM UTC	**Status - Completed**

Carbon Copy Events

Name / Roles	Email	Sent
Mehul Bhagat	mehul@poeticgem.com	11/05/2025 19:52 PM UTC

Signer Signatures

Signer Name / Roles	Signature	Initials
Krishna Kanodia	Krishna Kanodia	
Vinod Vadgama	V Vadgama	

Dl

ACM
SOCIEDADE DE REVISORES
OFICIAIS DE CONTAS

Independent Auditor's Report

TO THE MEMBERS OF PROGRESSIVE CRUSADE UNIPESSOAL LDA

Report on the Audit of the Special purpose financial statements

Opinion

We have audited the accompanying special purpose financial statements of PROGRESSIVE CRUSADE UNIPESSOAL LDA ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, including Other Comprehensive Income (herein after referred to as "special purpose financial statements"). The special purpose financial statements have been prepared by the management of Company, solely for the purpose of preparation of the consolidated financial statements of its ultimate holding company, PDS Limited.

In our opinion and to the best of our information and according to the explanations given to us, nothing has come to our knowledge that should lead us to conclude that the aforesaid special purpose financial statements do not give a true and fair view in all material aspects, in conformity with the Portuguese Accounting Regulations (NCRF) other accounting principles generally accepted in Portugal, of the state of affairs of the Company as at 31 March 2025, and its total comprehensive loss for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose financial statements in accordance with the International Standards on Auditing 800 (Revised) - Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the special purpose financial statements' section of our report.

Information other than the special purpose financial statements and Auditor's report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors report, but does not include the special purpose financial statements and our auditors' report thereon.

Our opinion on the special purpose financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

SEDE
Av. da Liberdade, Ed. dos Granjinhos, nº 432, Piso 6, salas 41-42
4710-249 Braga, Apartado 196 , Portugal | Tel.: 253 206 730 / 919 670 037 | Fax: 253 206 739
E-mail: geral@acmsroc.pt | www.acmsroc.pt

ACM SOCIEDADE DE REVISORES OFICIAIS DE CONTAS

In connection with our audit of the special purpose financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The accounts for the period ended in 31st of March 2024, included for comparison purposes, only comprise 3 months (January to March 2024) due to the changing of reporting period by the company.

Management's Responsibility for the special purpose financial statements

The Company's Board of Directors is responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in Portugal.

This responsibility also includes maintenance of adequate accounting records and for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the special purpose 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Special purpose financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose financial statements.

SEDE
Av. da Liberdade, Ed. dos Granjinhos, nº 432, Piso 6, salas 41-42
4710-249 Braga, Apartado 196, Portugal | Tel.: 253 206 730 / 919 670 037 | Fax: 253 206 739
E-mail: geral@acmsroc.pt | www.acmsroc.pt

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 special purpose 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 our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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 special purpose 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 special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements

Braga, April 24th 2025

Armindo Costa, Serra Cruz, Martins & Associados, SROC

(Registered in CMVM under the n.º 20161397)

Represented by

Diana Fernandes da Costa

Diana Fernandes da Costa

Registered in OROC under the nº 1212

Registered in CMVM under the nº 20160823

4/5

Statement of income by cost nature
for the period ending 31-03-2025
(amounts in EURO)

PROGRESSIVE CRUSADE UNIPESSOAL LDA

REVENUES AND EXPENSES	PERIOD Mar 2025	PERIOD Mar 2024
Sales and services	1.199.316,05	262.748,58
Operating subsidies	9.810,76	
Change in inventories of production	-75.496,25	
Sold goods and raw materials costs	-532.317,36	-96.500,84
Supplies and services	-639.196,32	-137.087,92
Staff costs	-266.562,53	-55.478,00
Other income	7.409,48	1.845,35
Other expenses	-29.780,20	-5.212,11
Profit before depreciation, financing costs and taxes	-326.816,37	-29.684,94
Expenses / reversals of depreciation and amortization	-3.670,67	-917,66
Operating profit (before financing costs and taxes)	-330.487,04	-30.602,60
Interest and similar expenses incurred	-6.460,71	-100,77
Profit before tax	-336.947,75	-30.703,37
Income tax for the period		5.931,44
Net profit for the year	-336.947,75	-36.634,81

Assinado por: **BENJAMIM DA CUNHA E CASTRO**
Num. de Identificação: 06660741
Data: 2025.04.24 16:39:45+01'00'
Certificado por: **Ordem dos Contabilistas Certificados**
Atributos certificados: **Membro da OCC nº 18764**

Ordem dos Contabilistas Certificados

Management

Chartered Accountant No. 18764

02 5/5

Balance sheet
as of 31-03-2025
(amounts in EURO)

PROGRESSIVE CRUSADE UNIPESSOAL LDA

ITEMS	DATES Mar 2025	Mar 2024
Assets		
Non-current Assets		
Intangible Assets	5.812,84	9.483.51
Other financial investments	180,40	
	5.993,24	**9.483,51**
Current Assets		
Inventory	195.656,63	129.094,33
Customers	443.333,96	243.377,07
State and other public bodies	74.725,32	56.151,25
Other debts to collect	97.980,57	45.022.54
Cash and equivalents	70.246,31	23.317,52
	881.942,79	**496.962,71**
Total assets	887.936,03	506.446,22
Equity and Liabilities		
Equity		
Subscribed capital	100,00	100,00
Retained earnings	-598.679,70	-384.239,01
Net profit for the period	-336.947,75	-36.634,81
Total Equity	-935.527,45	-420.773,82
Liabilities		
Non-current Liabilities		
Current Liabilities		
Suppliers	455.618,61	414.498,98
Customer advances	33.052,04	
State and other public bodies	7.580,23	10.898,28
Financings	1.133.136,13	252.044,98
Other debts to pay	45.742,47	238.813,85
Deferrals	7.168,40	
Provisions	141.165,60	
Other current liabilities		10.963,95
	1.823.463,48	**927.220,04**
Total Liabilities	1.823.463,48	927.220,04
Total Equity and Liabilities	887.936,03	506.446,22

Assinado por: **BENJAMIM DA CUNHA E CASTRO**
Num. de Identificação: 06660741
Data: 2025.04.24 17:30:58+01'00'
Certificado por: **Ordem dos Contabilistas Certificados**
Atributos certificados: **Membro da OCC nº 18764**

Ordem dos Contabilistas Certificados

Management

Chartered Accountant No. 18764

Company registration number 11480949 (England and Wales)

RECOVERED CLOTHING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

RECOVERED CLOTHING LIMITED

COMPANY INFORMATION

Directors	Mr E Mathews Mr K Kanodia Mr S Punjabi
Secretary	Mr K Kanodia
Company number	11480949
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

RECOVERED CLOTHING LIMITED

CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company is that of import and distribution of garments.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Banaik	(Resigned 30 January 2025)
Mr E Mathews	
Mr K Kanodia	
Mr S Punjabi	

Auditor
In accordance with the Companies Act 2006, the Company's auditors, UHY Hacker Young LLP, are re-appointed for the financial year commencing 1 April 2025.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

elliott matthews

....

Mr E Mathews

Director

Date: 17/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RECOVERED CLOTHING LIMITED

Opinion

We have audited the financial statements of Recovered Clothing Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RECOVERED CLOTHING LIMITED (CONTINUED)

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue and results.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RECOVERED CLOTHING LIMITED (CONTINUED)

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young Date: 21/05/2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	2	282,214	1,281,799
Cost of sales		(932,487)	(1,194,853)
Gross (loss)/profit		(650,273)	86,946
Distribution costs		(56,405)	(15,917)
Administrative expenses		(227,348)	(165,936)
Operating loss	3	(934,026)	(94,907)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(934,026)	(94,907)

The income statement has been prepared on the basis that all operations are continuing operations.

RECOVERED CLOTHING LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Investments	**5**		931,444		931,444
Current assets					
Inventories	**7**	1,432,745		1,660,310	
Trade and other receivables	**8**	1,165,576		1,903,975	
Cash and cash equivalents		10,981		150,385	
		2,609,302		3,714,670	
Current liabilities	**9**	(4,641,873)		(4,813,215)	
Net current liabilities			(2,032,571)		(1,098,545)
Net liabilities			(1,101,127)		(167,101)
Equity					
Called up share capital	**11**		50,000		50,000
Retained earnings			(1,151,127)		(217,101)
Total equity			(1,101,127)		(167,101)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 17/05/2025 and are signed on its behalf by:

elliott matthews

....

Mr E Mathews
Director

Company registration number 11480949 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2023	50,000	(122,194)	(72,194)
Year ended 31 March 2024:			
Loss and total comprehensive income	-	(94,907)	(94,907)
Balance at 31 March 2024	50,000	(217,101)	(167,101)
Year ended 31 March 2025:			
Loss and total comprehensive income	-	(934,026)	(934,026)
Balance at 31 March 2025	50,000	(1,151,127)	(1,101,127)

1 Accounting policies

Company information

Recovered Clothing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 13.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due. If the company were unable to obtain this funding, it would be unable to continue trading and adjustments would have to be made to reduce the value of assets to their realisable amount and to provide for any further liabilities which might arise.

1 Accounting policies **(Continued)**

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

-Sale of goods

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

1.4 Non-current investments

Investments in subsidiary undertakings are stated at cost less provision for impairment.

1.5 Inventories

Inventories are valued at the weighted average cost. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the weighted average cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1.8 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.9 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1 Accounting policies (Continued)

1.12 Fair value measurment

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sale of garments	282,214	1,281,799

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	227,350	536,301
Europe	54,864	745,498
	282,214	1,281,799

3 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange losses/(gains)	71,959	(79,926)
Cost of inventories recognised as an expense	932,487	1,194,853

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2025	2024
	Number	Number
	6	7

4 Employees **(Continued)**

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	103,730	115,255
Social security costs	11,318	12,303
	115,048	127,558

5 Investments

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Investments in subsidiaries	-	-	931,444	931,444

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost
The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct	% Held Indirect
Sunny Up Limited	Unit 1 Chivenor Business Park, Barnstaple, Devon, United Kingdom, EX31 4AY	Ordinary	100.00	-
Sunny Up US Limited	1521 Concord Pike Suite 201, Wilmington, Delaware, United States of America, 19803	Ordinary	-	100.00

Sunny UP US Limited is a wholly owned subsidiary of Sunny Up Limited.

7 Inventories

	2025	2024
	£	£
Finished goods	1,432,745	1,660,310

8 Trade and other receivables

	2025	2024
	£	£
Trade receivables	544,555	1,283,342
VAT recoverable	156,645	98,910
Amounts owed by subsidiary undertakings	461,400	461,400
Amounts owed by related parties	2,976	-
Other receivables	-	60,323
	1,165,576	1,903,975

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

9 Liabilities

	Notes	2025	2024
		£	£
Trade and other payables	10	4,624,638	4,797,544
Corporation tax		12,878	12,952
Other taxation and social security		4,357	2,719
		4,641,873	4,813,215

10 Trade and other payables

	2025	2024
	£	£
Trade payables	35,416	81,650
Amount owed to parent undertaking	4,426,862	4,669,894
Accruals and deferred income	162,360	46,000
	4,624,638	4,797,544

11 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary Shares of £1 each	50,000	50,000	50,000	50,000

12 Related party transactions

During the period ended 31st March 2025, the company entered into the following transactions with related parties:

	Purchases/ Commission and other expenses		Amounts owed (to)/by related party at 31 Mar	
	2024-25	2023-24	2024-25	2023-24
	£		£	
Poetic Brands Ltd	154,362	964,362	(4,426,862)	(4,669,894)
Sunny Up Limited	-	-	461,400	461,400
Moda and Beyond Ltd	-	-	2,976	-

The above balances are interest free and repayable on demand.

Poetic Brands Limited owns 75% of Recovered Clothing Limited.

PDS Sourcing Limited has a 64% shares in Moda & Beyond Limited.

Recovered Clothing Limited owns 100% share in Sunny Up Limited.

13 Controlling party

The immediate parent company is Poetic Brands Limited, a company registered in England and Wales and the ultimate parent company is PDS Limited, a company registered in India.

Poetic Brands Limited prepares group financial statements and copies can be obtained from Companies House.

PDS Limited prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

RECOVERED CLOTHING LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

RECOVERED CLOTHING LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

		2025		2024
		£		£
Revenue				
Sales of goods		282,214		1,281,799
Cost of sales		(932,487)		(1,194,853)
Gross (loss)/profit	230.42%	(650,273)	6.78%	86,946
Distribution costs		(56,405)		(15,917)
Administrative expenses		(227,348)		(165,936)
Operating loss		(934,026)		(94,907)

RECOVERED CLOTHING LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cost of sales		
Opening stock of finished goods	1,660,310	1,477,801
Purchases and other direct costs		
Direct costs	235,419	1,111,749
Carriage inwards and import duty	469,503	265,613
Total purchases and other direct costs	704,922	1,377,362
Total cost of sales	932,487	1,194,853
Distribution costs		
Commission payable	56,405	15,917
Administrative expenses		
Wages and salaries	103,730	115,255
Social security costs	11,318	12,303
Computer running costs	-	12,803
Travelling expenses	-	657
Postage, courier and delivery charges	1,020	7,617
Legal and professional fees	596	-
Consultancy fees	8,500	518
Accountancy	5,889	2,013
Audit fees	15,800	8,693
Bank charges	482	544
Advertising	7,956	84,768
Sundry expenses	98	691
Profit or loss on foreign exchange	71,959	(79,926)
	227,348	165,936

RSign™

Envelope Data

Subject:	Recovered Clothing Limited		
Documents:	RC - Minutes.pdf,RC - LOR.pdf,RC - FS.pdf,RC - ABR.pdf		
Document Hash:	bcJ76fLk6XNvfYqXJXKo2Ce18Lfzi42XH9WhSnX5vSA=		
Envelope ID:	ENV18383430-6255-FDFA-0187-BDBE		
Sender:	Muhammad Haider		
Sent:	16/05/2025 10:25 AM UTC		
Status:	Completed	Access Authentication:	None
Status Date:	21/05/2025 15:01 PM UTC	Email Access Code:	Not Enabled
		Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Elliot Mathews	elliott@poeticbrands.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer
Mehul Bhagat	mehul@poeticgem.com	Cc

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	16/05/2025 10 :25 AM UTC	Created
Elliot Mathews	elliott@poeticbrands.com	12.208.205.11	17/05/2025 16 :05 PM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com		19/05/2025 05 :05 AM UTC	Reminder
Vinod Vadgama	v.vadgama@uhy-uk.com		21/05/2025 05 :05 AM UTC	Reminder
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	21/05/2025 15 :01 PM UTC	Signed
			21/05/2025 15 :01 PM UTC	**Status - Completed**

Carbon Copy Events

Name / Roles	Email	Sent
Mehul Bhagat	mehul@poeticgem.com	21/05/2025 15:01 PM UTC

Signer Signatures

Signer Name / Roles	Signature	Initials
Elliot Mathews	elliott matthews	

Vinod Vadgama		

Company registration number 15735272 (England and Wales)

ROKSANDA (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2025

ROKSANDA (UK) LIMITED

COMPANY INFORMATION

Directors	Mr Roland Seregi	(Appointed 22 May 2024)
	Mr Abhishekh Kanoi	(Appointed 22 May 2024)
	Mr Sagarkumar Ballari	(Appointed 22 May 2024)
Company number	15735272	
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	
Auditor	UHY Hacker Young LLP Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	

CONTENTS

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the period ended 31 March 2025.

Principal activities
The company was incorporated on 22 May 2024. The principal activity of the company is that of the sale of women's clothing and accessories.

Results and dividends
The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr Roland Seregi	(Appointed 22 May 2024)
Mr Abhishekh Kanoi	(Appointed 22 May 2024)
Mr Sagarkumar Ballari	(Appointed 22 May 2024)

Auditor
UHY Hacker Young LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Sagar ballari

Mr Sagarkumar Ballari
Director

12 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ROKSANDA (UK) LIMITED

Opinion

We have audited the financial statements of Roksanda (UK) Limited (the 'company') for the period ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROKSANDA (UK) LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROKSANDA (UK) LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young LLP 12 May 2025

Chartered Accountants
Statutory Auditor

ROKSANDA (UK) LIMITED

INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025

	Notes	Period ended 31 March 2025 £
Revenue	2	2,620,302
Cost of sales		(914,710)
Gross profit		1,705,592
Distribution costs		(43,026)
Administrative expenses		(2,151,958)
Operating loss	3	(489,392)
Tax on (loss)/profit		-
(Loss)/profit and total comprehensive income for the financial period		(489,392)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	£
Current assets			
Inventories	**5**	378,294	
Trade and other receivables	**6**	947,684	
Cash and cash equivalents		111,537	
		1,437,515	
Current liabilities	**7**	(1,926,807)	
Net current liabilities			(489,292)
Net liabilities			(489,292)
Equity			
Called up share capital	**10**		100
Retained earnings			(489,392)
Total equity			(489,292)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 May 2025 and are signed on its behalf by:

Sagar ballari

Mr Sagarkumar Ballari
Director

Company registration number 15735272 (England and Wales)

ROKSANDA (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 22 May 2024		-	-	-
Period ended 31 March 2025:				
Loss and total comprehensive income		-	(489,392)	(489,392)
Transactions with owners:				
Issue of share capital	**10**	100	-	100
Balance at 31 March 2025		100	(489,392)	(489,292)

1 Accounting policies

Company information

Roksanda (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 22 May 2024. Therefore, the first set of accounts represent a period of 10.5 months.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 12.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

1 Accounting policies **(Continued)**

-Sale of goods
Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

-Collaborative income
Revenue represents amounts receivable from the collaboration with other companies. Revenue is recognised once the performance conditions of the agreement have been met.

1.5 Inventories
Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.6 Cash and cash equivalents
Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial assets
Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss
When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Accounting policies **(Continued)**

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies **(Continued)**

1.8 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Revenue

	2025
	£
Revenue analysed by class of business	
Sale of clothing	2,262,811
Collaborative income	357,491
	2,620,302

	2025
	£
Revenue analysed by geographical market	
United Kingdom	526,271
Europe	1,199,752
Rest of the World	894,279
	2,620,302

3 Operating (loss)/profit

	2025
Operating loss for the period is stated after charging/(crediting):	£
Exchange gains	(3,795)
Cost of inventories recognised as an expense	914,710

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2025
	Number
	19

4 Employees (Continued)

Their aggregate remuneration comprised:

	2025
	£
Wages and salaries	956,032
Social security costs	98,212
Pension costs	12,121
	1,066,365

The directors of the company were remunerated through other group companies.

5 Inventories

	2025
	£
Raw materials	17,629
Finished goods	360,665
	378,294

6 Trade and other receivables

	2025
	£
Trade receivables	632,775
VAT recoverable	80,118
Amounts owed by fellow group undertakings	6,768
Other receivables	127,648
Prepayments and accrued income	100,375
	947,684

7 Liabilities

	Notes	2025
		£
Trade and other payables	8	1,926,807

8 Trade and other payables

	2025 £
Trade payables	23,200
Amount owed to parent undertaking	947,067
Amounts owed to fellow group undertakings	937,760
Accruals and deferred income	18,780
	1,926,807

9 Retirement benefit schemes

Defined contribution schemes	2025 £
Charge to profit or loss in respect of defined contribution schemes	12,121

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

10 Share capital

Ordinary share capital	2025 Number	2025 £
Issued and fully paid		
Ordinary Shares of £1 each	100	100

During the year, 100 shares were issued at par value.

11 Related party transactions

11 Related party transactions (Continued)

During the year, the company was owed £5,518 from Vivere London Limited.

During the year, the company was owed £1,250 from Adaptive Fashion Limited.

During the year, the company owed £947,067 to The Brand Group Limited.

During the year, the company owed £24,864 to Spring Design London Limited.

During the year, the company owed £60,927 to PDS Fashions Limited.

During the year, the company owed £33,041 to PDS Radius Brand FZCO.

During the year, the company owed £818,927 to Simple Approach Limited.

The above companies are all part of the PDS Limited group.

12 Controlling party

The immediate parent company is The Brand Group Limited, a company registered in Hong Kong, by virtue of its 100% ownership of the ordinary share capital.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

ROKSANDA (UK) LIMITED

MANAGEMENT INFORMATION

FOR THE PERIOD ENDED 31 MARCH 2025

ROKSANDA (UK) LIMITED

DETAILED INCOME STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2025

		Period ended 31 March 2025 £
Revenue		
Sales of goods		2,620,302
Cost of sales		(914,710)
Gross profit	65.09%	1,705,592
Distribution costs		(43,026)
Administrative expenses		(2,151,958)
Operating loss		(489,392)

ROKSANDA (UK) LIMITED

SCHEDULES TO THE INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2025

	Period ended 31 March 2025 £
Cost of sales	
Purchases and other direct costs	
Finished goods purchases	1,245,904
Direct costs	29,471
Total purchases and other direct costs	1,275,375
Total cost of sales	914,710
Distribution costs	
Commissions payable	9,980
Postage, courier and delivery charges	33,046
	43,026

ROKSANDA (UK) LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2025

	Period ended 31 March 2025 £
Administrative expenses	
Wages and salaries	946,052
Social security costs	98,212
Subcontract labour	258,341
Staff welfare	5,270
Staff pension costs defined contribution	12,121
Commissions payable	4,712
Management charge	77,271
Rent re operating leases	197,998
Power, light and heat	3,505
Computer running costs	3,752
Software costs	21,028
Travelling expenses	15,453
Postage, courier and delivery charges	25,815
Professional subscriptions	1,000
Legal and professional fees	24,658
Consultancy fees	3,265
Audit fees	7,000
Bank charges	11,596
Insurances (not premises)	2,347
Printing and stationery	2,162
Advertising	230,641
Telecommunications	6,128
Other office supplies	13,432
Entertaining	2,801
Sundry expenses	119,717
Samples	61,476
Profit or loss on foreign exchange	(3,795)
	2,151,958

PDS MULTINATIONAL FZCO

Consolidated Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	Multinational Textile Group Limited
License No		4617

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

Business Address	:	Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	Emirates NBD HSBC Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the consolidated audited financial statements for the period ended March 31, 2025.

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

Financial review:

The table below summarizes the results of 2023-24 and 2024-25

Particulars	**01.04.2024 to 31.03.2025**	**01.04.2023 to 31.03.2024**
Revenue	1,174,377,702	893,113,720
Gross profit/(Loss) for the period	237,588,636	152,709,711
Net profit/(Loss) for the period	67,496,755	48,545,330

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS MULTINATIONAL FZCO

Rahul Khetry

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO
DAFZA
Dubai - U.A.E

ALIA
Chartered Accountancy

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Multinational FZCO,
Dubai, United Arab Emirates.

Report on the Audit of Consolidated Financial Statements.

Opinion

We have audited the accompanying Consolidated financial statements of **PDS Multinational FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

DUBAI - U.A.E.
CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

ALIA CHARTERED ACCOUNTANCY
CHARTERED ACCOUNTANTS

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)

Date: 14th May, 2025

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments	4	**12,407,547**	2,497,407
Investments	7	**44,420,978**	43,726,359
Right of Use Assets	8	**1,787,521**	2,021,028
Goodwill		**1,140,934**	2,437,385
Total Non-Current Assets	**(A)**	**59,756,980**	**50,682,179**
Current Assets			
Advances, deposits and other receivables	9	**19,257,770**	11,468,036
Trade Receivables	10	**304,195,747**	212,510,046
Cash and Cash Equivalents	11	**18,918,529**	30,218,144
Due from related parties	17	**58,062,333**	36,505,203
Inventory		**-**	861,805
Total Current Assets	**(B)**	**400,434,379**	**291,563,234**
Total Assets	**(A+B)**	**460,191,359**	**342,245,413**
Equity			
Share Capital	12	**42,305,000**	42,305,000
Retained Earnings	13	**80,410,361**	42,196,798
Shareholder Current Account		**-**	-
Other Reserves		**(10,642,180)**	(173,375)
Non Controlling Interest		**15,658,183**	7,271,508
Total Equity	**(C)**	**127,731,364**	**91,599,931**
Non Current Liabilities			
Loan and Factoring	14	**172,325,468**	106,535,080
Lease Liability	15	**544,135**	1,002,807
	(D)	**172,869,603**	**107,537,887**
Current liabilities			
Trade and Other Payables	16	**115,619,042**	102,988,399
Lease Liabilities	15	**1,053,830**	648,196
Due to related parties	17	**42,917,520**	39,471,000
Total Current Liabilities	**(E)**	**159,590,392**	**143,107,595**
Total Liabilities	**(F)=(D+E)**	**332,459,995**	**250,645,482**
Total Equity and Liabilities	**(C+F)**	**460,191,359**	**342,245,413**

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Revenue	18	**1,174,377,702**	893,113,720
Cost of revenue	19	**(936,789,066)**	(740,404,009)
Gross profit		**237,588,636**	**152,709,711**
Other Income	20	**13,241,997**	10,874,841
General and administrative expenses	21	**(173,390,407)**	(110,755,726)
Finance Cost	22	**(8,220,808)**	(3,470,374)
Depreciation	4,8	**(2,394,170)**	(1,659,712)
JV Profit/ (Loss) for the year		**671,507**	846,590
Profit/ (Loss) for the period before tax		**67,496,755**	**48,545,330**
Corporate Tax Payable		**1,410,097**	-
Profit/ (Loss) for the period before tax		**66,086,658**	**48,545,330**
Attributable to:			
- Shareholder of the Company		**47,083,446**	30,213,565
- Non-controlling interest		**19,003,212**	18,331,765
		66,086,658	**48,545,330**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**66,086,658**	**48,545,330**
Attributable to:			
- Shareholder of the Company		**47,083,446**	30,213,565
- Non-controlling interest		**19,003,212**	18,331,765
		66,086,658	**48,545,330**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS MULTINATIONAL FZCO

Rahul Khettry

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Statement of changes in equity - for the period ended March 31, 2025

Equity and retained earnings

	Attributable to the equity holders of the parent						
	Share Capital	Retained Earnings	Shareholders Current Account	Other Reserves	Total	Non-Controlling Interest	Total
Balance as at March 31, 2023	42,305,000	20,570,839	-	259,749	63,135,588	9,203,064	72,338,652
Additional Share Capital	-	-	-	-	-	78,625	78,625
Retained Earning for Co. Acquisition	-	1,321,394	-	-	1,321,394	423,265	1,744,659
Profit/(Loss) for the Period	-	30,213,565	-	-	30,213,565	18,331,765	48,545,330
Net Movements during the Period	-	(9,909,000)	-	(433,124)	(10,342,124)	(20,765,211)	(31,107,335)
Balance as at March 31, 2024	**42,305,000**	**42,196,798**	-	**(173,375)**	**84,328,423**	**7,271,508**	**91,599,931**
Share Capital Introduced	-	-	-		-	**231,870**	**231,870**
Retained Earning for Co. Acquisition	-	**10,581,117**	-		**10,581,117**	**(148,870)**	**10,432,247**
Profit/(Loss) for the Period	-	**47,083,446**	-		**47,083,446**	**19,003,212**	**66,086,658**
Net Movements during the Period	-	**(19,451,000)**	-	**(10,468,805)**	**(29,919,805)**	**(10,699,538)**	**(40,619,343)**
Balance as at March 31, 2025	**42,305,000**	**80,410,361**	-	**(10,642,180)**	**112,073,181**	**15,658,183**	**127,731,364**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

DAFZA
Dubai - U.A.E
PDS MULTINATIONAL FZCO

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Cash Flow Statement for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	66,086,658	48,545,330
Adjustments:		
Depreciation	1,192,034	589,375
Financial Charges	8,220,808	3,470,374
Net cash from operating activities	75,499,500	52,605,079
Changes in working capital		
(Increase)/Decrease in other current assets	(7,789,735)	(8,282,618)
(Increase)/Decrease in Trade Receivables	(91,685,701)	(100,698,970)
(Increase)/Decrease in Inventory	861,805	(861,805)
Due from Related Parties	(21,557,130)	(11,961,161)
Increase/(Decrease) in Trade and other payables	12,630,642	51,127,350
Due to Related Parties	3,446,520	16,309,015
Net cash used from operating activities	**(28,594,099)**	**(1,763,110)**
Cash Flow from investing activities		
Purchase of fixed assets	(11,102,174)	(2,006,719)
Sale of Fixed Assets		-
Investments	(694,619)	(942,928)
Investment in Security Deposit	-	-
Right to use Assets/ Lease Liabilities	180,468	161,736
Investment in Goodwill	1,296,451	(2,437,385)
Net cash used in investing activities	**(10,319,874)**	**(5,225,296)**
Cash Flows from financing activities		
Share Capital Introduced	231,870	78,625
Finance Charges	(8,220,808)	(3,470,374)
Shareholder Current Account	(30,150,538)	(30,674,210)
Investment in NCI	10,432,247	1,744,659
Other Reserves	(10,468,805)	(433,124)
Loan from Bank	65,790,387	47,365,250
Net cash generated in financing activities	**27,614,355**	**14,610,826**
Net increase in cash and cash equivalents	(11,299,615)	7,622,420
Cash and cash equivalents beginning of period	30,218,144	22,595,724
Cash and cash equivalents end of period	18,918,529	30,218,144
Represented by:		
Cash Balance	51,480	31,680
Bank Balance	18,867,049	30,186,464
	18,918,529	30,218,144

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Rahul Khetty

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

1 LEGAL STATUS :

PDS Multinational FZCO is incorporated on February 01, 2022 under License No.- 4617 issued by Dubai Airport Free Zone Authority, Dubai, UAE

The registered address of the company is Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates.

The company is managed and controlled by following persons:

1.Mr.Deepak Kumar Seth

2.Mr.Rahul Khettry

These consolidated financial statements include the assets, liabilities and the results of operations of PDS Multinational FZCO and its controlled subsidiaries as mentioned below.

Name of Subsidiary	Country of Incorporation	% of Holding
Twins Asia FZCO	Registered in UAE	85%
Design Arc FZCO	Registered in UAE	85%
Poeticgem International FZCO	Registered in UAE	75%
Clover Collections FZCO	Registered in UAE	75%
Collaborative Sourcing Services FZCO	Registered in UAE	75%
Kleider Sourcing FZCO	Registered in UAE	51%
PDS Brands Manufacturing FZCO	Registered in UAE	100%
PDS Sourcing FZCO	Registered in UAE	100%
PDS Logistics FZCO	Registered in UAE	51%
PDS Global Procurment	Registered in UAE	100%
DESIGN HUB SOURCING FZCO	Registered in UAE	60%
PDS Design Services FZCO	Registered in UAE	100%
PDs Lifestyle FZCO	Registered in UAE	100%
DH Sourcing Bangladesh	Registered in Bangladesh	60%
The Source Fashions FZCO	Registered in UAE	70%
Infinty Fashions FZCO	Registered in UAE	100%
Collective Near East Sourcing FZCO	Registered in UAE	100%
PDS Radius Brands FZCO	Registered in UAE	75%
On Me Soho	Registered in UAE	85%
Spring Near East FZCO	Registered in UAE	85%
Simple Approach	Registered in UAE	75%
Tritorn Fashions	Registered in UAE	60%

Name of Joint Venture	Country of Incorporation	% of Holding
PG Capital FZE	Registered in UAE	100%
Yellow Octopus	Registered in UK	50%

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Clothing including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Investment in Commercial Enterprises & Management

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow. These financial statements are prepared on the assumption of going concern basis.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:-

Computer Equipment	3 Years
Office Furniture & Fixture	3 Years
Software	3 Years
IT Equipment	3 Years
Motor Vehicle	5 Years

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

The following amendments which became effective on 1 January 2022 did not have any significant impact on the Company's financial statements:

• Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark - Phase 2 (1 January 2022)

The Company has not early adopted any other amendments, improvements and interpretations that have been issued but is not yet effective

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

- Amendments to IFRS 3 – Reference to Conceptual Framework (1 January 2023)
- Amendments to IAS 37 – Onerous Contracts - Cost of Fulfilling a contract (1 January 2023)
- Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use (1 January 2023)
- Annual Improvements to IFRS Standards 2018-2020 (1 January 2023)
  -IFRS 9 Financial Instruments
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current (1 January 2023)

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
7 Investments		
Investments	44,420,978	43,726,359
	44,420,978	43,726,359
8 Right of Use Assets		
Opening Balance	2,021,028	3,008,606
Addition during the year	969,329	82,759
Depreciation during the year	(1,202,136)	(1,070,337)
	1,788,221	2,021,028
9 Advances and deposits		
DAFZA Portal Balance	206,477	86,014
Prepaid Expenses	6,605,623	1,417,249
Other Receivables	7,789,315	4,473,497
Advance to Employees	-	1,615,640
Security Deposits	1,391,974	163,201
Other Advances	3,264,381	3,712,435
	19,257,770	11,468,036
10 Trade and Other receivables		
Trade Receivables	304,355,670	212,669,969
Less: Provision for Bed Debts	(159,923)	(159,923)
	304,195,747	212,510,046
11 Cash And Cash Equivalents		
Cash balance	51,480	31,680
Bank balance	18,867,049	30,186,464
	18,918,529	30,218,144

12 Share Capital

Authorized, issued and paid up capital of the Company is AED 42,305,000/- divided into 42,305 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
Multinational Textile Group Limited	Registered in Mauritius	100%	42,305	42,305,000

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
13 Retained Earnings		
Balance at the beginning of the Period	42,196,798	20,570,839
Profit/(Loss) for the Period	66,086,658	48,545,330
Retained Earning from investment during the year	10,581,117	1,321,394
Dividend Paid During the period	(19,451,000)	(9,909,000)
NCI share	(19,003,212)	(18,331,765)
Balance at the end of the Period	80,410,361	42,196,798
14 Loan and Factoring		
Secured Loan	22,102,731	38,337,612
HSBC Factoring	92,936,755	68,197,468
ENBD Factoring	34,040,351	-
FAB Factoring	23,245,631	-
	172,325,468	106,535,080
15 Lease Liability		
Opening Balance	1,651,003	2,476,845
Additions	1,709,605	170,788
Finance Cost	81,634	23,330
Payments	(1,844,277)	(1,019,960)
Closing Balance	1,597,965	1,651,003
Current Lease Liability	1,053,830	648,196
Non- Current Lease Liability	544,135	1,002,807
16 Trade & Other Payables		
Trade Payables	100,522,506	96,538,215
Audit fees Payable	101,792	198,395
Other Payables	13,061,874	5,495,908
VAT Payable	1,932,870	755,881
	115,619,042	102,988,399

17 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

Transactions with related party included in the Financial statements are as follows:

Amount due from related parties	As on 31.03.2025	As on 31.03.2024
Clover Collection Limited	14,099,356	18,207,725
Design Arc UK Ltd	-	412
Good Earth Lifestyle Limited	-	25,508
Multinational Textile Group Limited	-	14,766,774
New Lobster Limited	2,348,635	1,361,314
Poeticgem Limited	14,826,926	2,017,535
Progress Manufacturing HK Ltd	19,497	88,248
Simple Approach Limited	7,526,189	37,687
Spring Near East Fzco	2,725,707	-
Adaptive Fashion Limited	270,722	-
DBS Lifestyle Limited	55,171	-
Kleider Sourcing Hong Kong Limited	1,975	-
Krayon Sourcing Limited	27,828	-
PDS Fashions Hong Kong Limited	192,088	-
PDS Multinational India HO	1,986,746	-
Poeticgem International Limited	11,800,700	-
Roksanda UK Limited	154,001	-
SKOPE APPARELS FZCO - 2290	1,169,330	-
Sourcing Solution Limited	69,362	-
Vivere London Limited	788,100	-
	58,062,333	36,505,203

Amount due to related parties	As on 31.03.2025	As on 31.03.2024
Design Arc UK Ltd	2,112,461	885,107
Norwest Industries Ltd.	1,305,286	420,626
PDS Fashion Ltd	6,405,312	1,459,146
Poeticgem International Ltd.	-	11,800,742
Design Arc Asia Limited	2,699,323	2,128,600
GoodEarth Apparels Limited	-	10,542,585
Multinational Textile Group Limited	9,707,807	-
PDS Brands Manufacturing Limited	359,464	188,271
PDS Tailoring Limited	-	553,348
PDS Limited	-	2,082,997
PDS Sourcing Limited	-	14,483
SKOPE Apparels FZCO	-	91,420
Poetic Brands Limited	-	168,325
Progress Apparels (Bangladesh) Limited	5,944,204	4,383,698
Spring Near East FZCO	-	1,207,354
Twins Asia Limited	2,194,547	3,544,298
Green Smart Shirts Limited	10,125,485	-
OLE Fashion Limited	6,525	-
PDS Far East USA	33,423	-
PDS Trading Shanghai Co. Ltd	463,303	-
Rising Asia Star Hk Ltd	1,469,103	-
Twins Asia Limited - Mirror	91,277	-
	42,917,520	39,471,000

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
18 Revenue		
Revenue-Sales	1,097,467,089	862,789,360
Revenue-Service	48,922,270	16,587,467
Commission Income	27,988,343	13,736,893
	1,174,377,702	893,113,720
19 Cost of Revenue		
Cost of Goods Sold	936,789,066	740,404,009
	936,789,066	740,404,009
20 Other Income		
Penalties on supplies	999,167	338,337
Claim on supplies	11,524,262	7,273,284
Forex gain/(loss)	(686,570)	129,348
Miscellaneous income	1,405,138	2,908,054
Dividend Income	-	225,818
	13,241,997	10,874,841
21 General & Administrative Expenses		
Administration Charges	10,452,071	3,953,926
Discount on supplies	6,052,795	5,384,686
Business Promotion Exp	64,412,053	41,173,908
Commission Expense	3,032,664	1,737,853
Director Remuneration	1,981,800	1,862,525
Salaries and Staff Welfare Expense	72,347,023	44,677,437
Insurance Exp	938,355	421,193
Legal & Professional Charges	5,295,965	6,033,043
License Expense	380,011	370,950
Office Expenses	1,606,471	1,426,839
Rent Expense	1,866,657	670,034
Repairs & Maintenance	161,919	112,258
Travelling Exp	3,082,353	1,508,731
Selling & Distribution	1,478,577	1,238,217
Telecommunication exp	210,845	105,754
Visa Expenses	90,848	78,372
	173,390,407	110,755,726
22 Finance Cost		
Bank Charges & Interest	8,220,808	3,470,374
	8,220,808	3,470,374

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Conolidated Notes to the financial statements - for the period ended March 31, 2025

23 RISK MANAGEMENT

23.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

23.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

23.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

24 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months from April 1, 2024 to March 31, 2025. The previous year covers the period of 12 months from April 1, 2023 to March 31, 2024. The previousyear figures might be regrouped, rearranged or reclassified.

25 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 14, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO
DAFZA
Dubai - U.A.E.

PDS MULTINATIONAL FZCO

Office No. 308, Building 5WA, Dubai Airport Free Zone, Dubai, United Arab Emirates

Consolidated Statement of Financial Position as at March 31, 2025

4 Property, Plant and Equipment

	Office Equipment	Furniture & Fixture	IT Equipments	Motor Vehicles	Leasehold Building	Computer Software	Total
Cost :							
As at March 31, 2023	121,785	236,788	212,917	-	-	589,549	1,161,039
Additions during the period	64,273	350,837	32,180	1,222,263	252,274	84,892	2,006,719
As at March 31, 2024	**186,058**	**587,625**	**245,097**	**1,222,263**	**252,274**	**674,441**	**3,167,758**
Additions during the period	243,447	24,983	74,331	-	396,990	10,362,423	11,102,174
Sale of Asset	-	-	-	-	-	-	-
As at March 31, 2025	**429,505**	**612,608**	**319,428**	**1,222,263**	**649,264**	**11,036,864**	**14,269,932**
Depreciation:							
As at March 31, 2023	20,750	22,504	22,605	-	-	15,117	80,976
Depreciation during the period	40,363	65,756	83,683	138,256	56,374	204,943	589,375
As at March 31, 2024	**61,113**	**88,260**	**106,288**	**138,256**	**56,374**	**220,060**	**670,351**
Depreciation during the period	62,187	71,291	103,940	244,538	320,168	389,910	1,192,034
As at March 31, 2025	**123,300**	**159,551**	**210,228**	**382,794**	**376,542**	**609,970**	**1,862,385**
Net Book Value							
As at March 31, 2025	**306,205**	**453,057**	**109,200**	**839,469**	**272,722**	**10,426,894**	**12,407,547**
As at March 31, 2024	124,945	499,366	138,809	1,084,007	195,900	454,381	2,497,407

FOR PDS MULTINATIONAL FZCO

Mr.Rahul Khettry
Authorized Signatory

PDS MULTINATIONAL FZCO DAFZA Dubai - U.A.E

Company registration number 14575270 (England and Wales)

LILY AND LIONEL LONDON LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

LILY AND LIONEL LONDON LIMITED

COMPANY INFORMATION

Directors	B Shah M Arora R Chadha
Company number	14575270
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW

CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the company is that of the wholesale and retail of clothing, footwear and accessories.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B Shah
M Arora
R Chadha

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Rakesh Chadha

R Chadha
Director

9 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LILY AND LIONEL LONDON LIMITED

Opinion

We have audited the financial statements of Lily and Lionel London Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LILY AND LIONEL LONDON LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LILY AND LIONEL LONDON LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 9 May 2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Revenue	2	174,719	132,103
Cost of sales		(146,877)	(61,014)
Gross profit		27,842	71,089
Distribution costs		(96,663)	(108,880)
Administrative expenses		(211,161)	(288,552)
Operating loss	3	(279,982)	(326,343)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(279,982)	(326,343)

LILY AND LIONEL LONDON LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Non-current assets					
Intangible assets - goodwill	**5**		62,400		70,200
Current assets					
Inventories	**6**	294,503		211,661	
Trade and other receivables	**7**	52,070		130,901	
Cash and cash equivalents		18,735		30,732	
		365,308		373,294	
Current liabilities	**8**	(1,033,933)		(769,737)	
Net current liabilities			(668,625)		(396,443)
Net liabilities			(606,225)		(326,243)
Equity					
Called up share capital	**10**		100		100
Retained earnings			(606,325)		(326,343)
Total equity			(606,225)		(326,243)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 May 2025 and are signed on its behalf by:

Rakesh Chadha

R Chadha
Director

Company registration number 14575270 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 6 January 2023		-	-	-
Period ended 31 March 2024:				
Loss and total comprehensive income		-	(326,343)	(326,343)
Transactions with owners:				
Issue of share capital	**10**	100	-	100
Balance at 31 March 2024		100	(326,343)	(326,243)
Year ended 31 March 2025:				
Loss and total comprehensive income		-	(279,982)	(279,982)
Balance at 31 March 2025		100	(606,325)	(606,225)

1 Accounting policies

Company information

Lily and Lionel London Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 06 January 2023. The comparative figures for the period ending 31 March 2024 therefore represent 15 months.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 ‘Presentation of Financial Statements’ to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirement to present a statement of cash flows and related notes.
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 12.

1.3 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that at the balance sheet date, the company's had net liabilities of £606,225 (2024: £326,243).

In view of this uncertainty the directors have obtained confirmation of financial support from the parent company who will not seek repayment of the amounts owed until such time as the company is able to repays its debts. By taking this and future plans in consideration, the directors consider the going concern basis to be appropriate because the company will continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due for the next 15 months.

1 Accounting policies **(Continued)**

1.4 Revenue

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

1.5 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is subsequently reversed if, and only if, the reasons for the impairment loss have ceased to apply.

Goodwill is amortised over a 10 year straight line basis.

1.6 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

1 Accounting policies **(Continued)**

Financial assets at fair value through profit or loss
When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income
Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets
Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

1 Accounting policies (Continued)

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sale of clothing and accessories	174,719	132,103

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	174,719	132,103

3 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange losses	555	1,064
Amortisation of intangible assets (included within administrative expenses)	7,800	7,800
Cost of inventories recognised as an expense	140,136	56,760

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management	3	3
Finance	-	1
Total	3	4

4 Employees (Continued)

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	-	5,979
Social security costs	-	615
	-	6,594

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2025.

5 Intangible fixed assets

	Goodwill
	£
Cost	
At 31 March 2024	78,000
At 31 March 2025	78,000
Amortisation and impairment	
At 31 March 2024	7,800
Charge for the year	7,800
At 31 March 2025	15,600
Carrying amount	
At 31 March 2025	62,400
At 31 March 2024	70,200

6 Inventories

	2025	2024
	£	£
Goods for resale	294,503	211,661

7 Trade and other receivables

	2025	2024
	£	£
Trade receivables	7,764	64,021
VAT recoverable	21,240	27,420
Amounts owed by fellow group undertakings	16,959	24,923
Other receivables	6,107	10,192
Prepayments and accrued income	-	4,345
	52,070	130,901

8 Liabilities

	Notes	2025	2024
		£	£
Trade and other payables	9	1,033,933	769,737

9 Trade and other payables

	2025	2024
	£	£
Trade payables	47,192	67,841
Amount owed to parent undertaking	967,431	696,396
Amounts owed to fellow group undertakings	11,082	-
Accruals and deferred income	7,250	5,500
Other payables	978	-
	1,033,933	769,737

10 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

In the prior year, 100 shares at £1 par value were issued.

11 Related party transactions

As at the year end, the company was owed £16,959 (2024: £24,923) by Design Arc Brands Limited.

As at the year end, the company owed £11,082 (2024: £nil) to Design Arc Asia Limited.

As at the year end, the company owed £967,431 (2024: £696,396) to Design Arc UK Limited, its parent company.

Design Arc UK Limited owns 100% of the shares in Design Arc Brands Limited.

12 Controlling party

The immediate parent company is Design Arc UK Limited by virtue of its 100% ownership of the ordinary share capital.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

LILY AND LIONEL LONDON LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

LILY AND LIONEL LONDON LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

		Year ended 31 March 2025 £		Period ended 31 March 2024 £
Revenue				
Sales of goods		174,719		132,103
Cost of sales		(146,877)		(61,014)
Gross profit	15.94%	27,842	53.81%	71,089
Distribution costs		(96,663)		(108,880)
Administrative expenses		(211,161)		(288,552)
Operating loss		(279,982)		(326,343)

SCHEDULES TO THE INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Cost of sales		
Opening stock of finished goods	211,661	-
Purchases and other direct costs		
Finished goods purchases	225,710	268,421
Commissions payable	6,741	4,254
Total purchases and other direct costs	232,451	272,675
Total cost of sales	146,877	61,014
Distribution costs		
Designing expenses	7,452	55,758
Testing charges	-	1,500
Handling/transport charges	6,357	645
Storage charges	82,854	50,977
	96,663	108,880

LILY AND LIONEL LONDON LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		
Wages and salaries	-	5,979
Social security costs	-	615
Staff welfare	-	1,440
Property repairs and maintenance	1,240	-
Computer running costs	29,976	7,869
Travelling expenses	-	995
Postage, courier and delivery charges	8	22
Professional subscriptions	9,039	6,647
Legal and professional fees	3,196	54,255
Consultancy fees	9,772	53,309
Audit fees	7,500	5,500
Bank charges	1,750	1,502
Transaction charges	7,896	2,176
Insurances (not premises)	3,432	-
Printing and stationery	-	1,021
Advertising and marketing	129,115	137,408
Other office supplies	-	1,021
Sundry expenses	(118)	(71)
Amortisation	7,800	7,800
Profit or loss on foreign exchange	555	1,064
	211,161	288,552

Company registration number 15050144 (England and Wales)

MODA & BEYOND LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

MODA & BEYOND LIMITED

COMPANY INFORMATION

Directors	Mr A Banaik Mr K Kanodia Mr A Kanoi Mr E Matthews
Company number	15050144
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company is the import and distribution of garments. Our core business model encompasses sourcing, designing, producing and marketing garments for key partners. Additionally, we operate through an omni-channel approach, primarily focused on e-commerce and wholesale distribution. Our portfolio of brands specialises in cross-category products, with a primary focus on occasion wear, on-trend fashion, and casual wear.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Banaik
Mr K Kanodia
Mr A Kanoi
Mr E Matthews

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Krishna Kanodia

....

Mr K Kanodia

Director

Date: 12/05/2025 ....

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MODA & BEYOND LIMITED

Opinion

We have audited the financial statements of Moda & Beyond Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MODA & BEYOND LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MODA & BEYOND LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management, testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MODA & BEYOND LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young Date: 12/05/2025

Chartered Accountants
Statutory Auditor

MODA & BEYOND LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Revenue	**2**	3,083,963	813,432
Cost of sales		(2,904,289)	(575,251)
Gross profit		179,674	238,181
Administrative expenses		(1,166,397)	(492,043)
Other operating income		742	-
Operating loss	**3**	(985,981)	(253,862)
Tax on loss	**5**	145,000	45,000
Loss and total comprehensive income for the financial year		(840,981)	(208,862)

MODA & BEYOND LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**6**		255,000		285,000
Property, plant and equipment	**7**		6,437		-
Deferred tax asset	**13**		190,000		45,000
			451,437		330,000
Current assets					
Inventories	**8**	199,718		177,180	
Trade and other receivables	**9**	661,347		350,817	
Cash and cash equivalents		601,584		52,532	
		1,462,649		580,529	
Current liabilities	**10**	(2,953,929)		(1,109,391)	
Net current liabilities			(1,491,280)		(528,862)
Net liabilities			(1,039,843)		(198,862)
Equity					
Called up share capital	**15**		10,000		10,000
Retained earnings			(1,049,843)		(208,862)
Total equity			(1,039,843)		(198,862)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12/05/2025 and are signed on its behalf by:

Krishna Kanodia

....

Mr K Kanodia
Director

Company registration number 15050144 (England and Wales)

MODA & BEYOND LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 4 August 2023		-	-	-
Period ended 31 March 2024:				
Loss and total comprehensive income		-	(208,862)	(208,862)
Transactions with owners:				
Issue of share capital	**15**	10,000	-	10,000
Balance at 31 March 2024		10,000	(208,862)	(198,862)
Year ended 31 March 2025:				
Loss and total comprehensive income		-	(840,981)	(840,981)
Balance at 31 March 2025		10,000	(1,049,843)	(1,039,843)

1 Accounting policies

Company information

Moda & Beyond Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

inclusion of an explicit and unreserved statement of compliance with IFRS;
presentation of a statement of cash flows and related notes;
disclosure of the objectives, policies and processes for managing capital;
disclosure of key management personnel compensation;
disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
the effect of financial instruments on the statement of comprehensive income;
disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;; and
related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Sourcing Limited . The group accounts of PDS Sourcing Limited are available to the public and can be obtained as set out in note 18.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, group companies have agreed to provided financial support by not seeking repayment of amounts owed until such time as the company is able to pay its debts. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements, notwithstanding the net liabilities of £1,039,843 (2024: £198,862).

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

1 Accounting policies **(Continued)**

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

Brands and licenses	10 years

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Accounting policies **(Continued)**

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies **(Continued)**

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sale of clothes	3,083,963	813,432

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	3,083,963	813,432

3 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange gains	(1,591)	-
Depreciation of property, plant and equipment	6	-
Amortisation of intangible assets (included within administrative expenses)	30,000	15,000
Cost of inventories recognised as an expense	2,904,289	575,251

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
	10	10

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	537,113	302,618
Social security costs	60,773	35,631
Pension costs	8,951	4,995
	606,837	343,244

4 Employees **(Continued)**

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2024-25.

5 Taxation

	2025	2024
	£	£
Deferred tax		
Origination and reversal of temporary differences	(145,000)	(45,000)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2025	2024
	£	£
Loss before taxation	(985,981)	(253,862)
Expected tax credit based on a corporation tax rate of 25.00% (2024: 25.00%)	(246,495)	(63,466)
Other adjustments	101,495	18,466
Taxation credit for the year	(145,000)	(45,000)

6 Intangible fixed assets

	Brands & licences £
Cost	
At 31 March 2024	300,000
At 31 March 2025	300,000
Amortisation and impairment	
At 31 March 2024	15,000
Charge for the year	30,000
At 31 March 2025	45,000
Carrying amount	
At 31 March 2025	255,000
At 31 March 2024	285,000

7 Property, plant and equipment

	Fixtures and fittings £
Cost	
At 1 April 2024	-
Additions	6,443
At 31 March 2025	6,443
Accumulated depreciation and impairment	
At 1 April 2024	-
Charge for the year	6
At 31 March 2025	6
Carrying amount	
At 31 March 2025	6,437

8 Inventories

	2025	2024
	£	£
Finished goods	199,718	177,180

9 Trade and other receivables

	2025	2024
	£	£
Trade receivables	604,376	248,996
VAT recoverable	12,086	-
Amounts owed by fellow group undertakings	6,300	-
Other receivables	38,585	26,867
Prepayments and accrued income	-	74,954
	661,347	350,817

All amounts due are recovered within 12 months of the balance sheet date. The fair value of trade and other receivables is the same as the carrying value shown above.

The maximum exposure to credit risk for trade and other receivables is represented by their carrying amount.

10 Liabilities

	Notes	2025	2024
		£	£
Trade and other payables	12	2,938,716	1,056,473
Taxation and social security		15,213	52,918
		2,953,929	1,109,391

11 Fair value of financial liabilities

The directors consider consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

12 Trade and other payables

	2025	2024
	£	£
Trade payables	1,122,700	34,687
Amount owed to parent undertaking	1,698,043	844,208
Accruals and deferred income	7,500	22,000
Other payables	110,473	155,578
	2,938,716	1,056,473

Trade payables and accrued expenses mainly comprise of amounts owed for trading purchases and associated costs.

All trade and other payables are due to be paid within 12 months of the balance sheet date. The fair value of trade and other payables is the same as the carrying value shown above.

13 Deferred taxation

	Assets	
	2025	2024
	£	£
Deferred tax balances	190,000	45,000

Deferred tax assets are expected to be recovered after more than one year.

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	Tax losses
	£
Balance at 1 April 2023	-
Deferred tax movements in prior year	
Credit/(charge) to profit or loss	45,000
Asset at 1 April 2024	45,000
Deferred tax movements in current year	
Credit/(charge) to profit or loss	145,000
Asset at 31 March 2025	190,000

14 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	8,951	4,995

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

Ordinary share capital	2025 Number	2024 Number	2025 £	2024 £
Issued and fully paid				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

16 Other leasing information

Lessee

	2025 £	2024 £
Expense relating to short-term leases	16,653	14,797

Set out below are the future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities:

Land and buildings	2025 £	2024 £
Within one year	25,000	25,000

17 Related party transactions

At the year end, £1,694,100 (2024: £838,808) was owed to Poeticgem Limited.

At the year end, £2,976 (2024: £nil) was owed to Recovered Clothing Limited

At the year end, £967 (2024: £nil) was owed to Multinational Textiles Group Limited.

At the year end, £6,300 (2024:£nil) was owed by PDS Sourcing Limited

Poeticgem Limited and Moda & Beyond Limited are both fully owned subsidiaries of PDS Sourcing Limited. Recovered Clothing Limited is a subsidiary of Poetic Brands Limited, which is a subsidiary of PDS Sourcing Limited. PDS Sourcing Limited is a subsidiary of Multinational Textiles Group Limited, Mauritius which is a wholly owned subsidiary of PDS Limited, India.

18 Controlling party

The immediate parent company is PDS Sourcing Limited, a company registered in Mauritius. The ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Corporate Office: Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

MODA & BEYOND LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

MODA & BEYOND LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

		Year ended 31 March 2025		Period ended 31 March 2024
		£		£
Revenue				
Sales of goods		3,083,963		813,432
Cost of sales		(2,904,289)		(575,251)
Gross profit	5.83%	179,674	29.28%	238,181
Other operating income				
Sundry income		742		-
Administrative expenses		(1,166,397)		(492,043)
Operating loss		(985,981)		(253,862)

MODA & BEYOND LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Cost of sales		
Opening stock of finished goods	177,180	-
Purchases and other direct costs		
Finished goods purchases	2,288,249	609,664
Direct costs	278,729	19,303
Carriage inwards and import duty	303,141	83,032
Storage charges	56,708	40,432
Total purchases and other direct costs	2,926,827	752,431
Total cost of sales	2,904,289	575,251

MODA & BEYOND LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		
Wages and salaries	537,113	302,618
Social security costs	60,773	35,631
Staff welfare	18,202	1,549
Staff pension costs defined contribution	8,951	4,995
Commissions payable	13,139	21,795
Management charge	68,241	-
Rent re operating leases	16,653	14,797
Cleaning	648	-
Power, light and heat	774	-
Computer running costs	1,118	3,440
Travelling expenses	30,018	11,385
Postage, courier and delivery charges	39,570	-
Professional subscriptions	431	-
Legal and professional fees	48,028	18,427
Consultancy fees	190,476	21,319
Accountancy	1,094	-
Audit fees	15,627	5,000
Bank charges	10,941	335
Insurances (not premises)	3,497	1,574
Printing and stationery	279	779
Advertising	46,169	21,620
Telecommunications	1,011	880
Entertaining	486	28
Sundry expenses	24,743	10,871
Amortisation	30,000	15,000
Depreciation	6	-
Profit or loss on foreign exchange	(1,591)	-
	1,166,397	492,043

RSign™

Envelope Data

Subject:	Moda& Beyond Ltd
Documents:	M&B - Minutes.pdf,M&B - LOR.pdf,M&B - ABR.pdf,M&B - FS.pdf
Document Hash:	nn9hg3VyLQNTLmffgQ2a53GiQ8j1TzhhEUfmOtklyjE=
Envelope ID:	ENV19610287-4605-DEDF-2616-DCFC
Sender:	Muhammad Haider
Sent:	12/05/2025 15:12 PM UTC
Status:	Completed
Status Date:	12/05/2025 16:09 PM UTC

Access Authentication:	None
Email Access Code:	Not Enabled
Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Krishna Kanodia	krishna@poeticgem.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer
Mehul Bhagat	mehul@poeticgem.com	Cc

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	12/05/2025 15 :12 PM UTC	Created
Krishna Kanodia	krishna@poeticgem.com	51.219.212.162	12/05/2025 15 :53 PM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	12/05/2025 16 :09 PM UTC	Signed
			12/05/2025 16 :09 PM UTC	**Status - Completed**

Carbon Copy Events

Name / Roles	Email	Sent
Mehul Bhagat	mehul@poeticgem.com	12/05/2025 16:09 PM UTC

Signer Signatures

Signer Name / Roles	Signature	Initials
Krishna Kanodia	Krishna Kanodia	

Vinod Vadgama	V Vadgama	

MODA AND BEYOND FZCO

(Earlier Known as PDS Design Services FZCO)

Audited Financial Statements
For the Year April 01, 2024 to March 31, 2025

Table of Contents

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO
License No		05684

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Footwear Trading

Business Address	:	Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	Hsbc Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the period ended March 31, 2025

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Footwear Trading

Financial review:

The table below summarizes the results of 2024-25 and 2023-24

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**08.05.2023 to 31.03.2024**
Revenue	-	-
Net profit/(Loss) for the period	(36,564)	(41,729)

Role of the Manager:
The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:
In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR MODA AND BEYOND FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
MODA AND BEYOND FZCO

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Moda And Beyond FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **Moda And Beyond FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 30th April, 2025

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 08.05.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	(A)	-	-
Current Assets			
Advances, Deposits and Trade Receivables	7	2,741	2,741
Cash and Cash Equivalents	8	20,986	57,315
Total Current Assets	(B)	**23,727**	**60,056**
Total Assets	(A+B)	**23,727**	**60,056**
Equity			
Share Capital	9	100,000	100,000
Retained Earnings	10	(78,293)	(41,729)
Shareholder Current Account		-	-
Total Equity	(C)	**21,707**	**58,271**
Non Current Liabilities	(D)	-	-
Current liabilities			
Trade Payables	11	2,020	1,785
Total Current Liabilities	(E)	**2,020**	**1,785**
Total Liabilities	(F)=(D+E)	**2,020**	**1,785**
Total Equity and Liabilities	(C+F)	**23,727**	**60,056**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR MODA AND BEYOND FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
MODA AND BEYOND FZCO

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 08.05.2023 to 31.03.2024
Revenue		-	-
Cost of Revenue		-	-
Gross profit		-	-
General and Administrative Expenses	13	(36,156)	(41,729)
Finance Cost		(408)	-
Profit/ (Loss) for the Period		**(36,564)**	**(41,729)**
Attributable to:			
- Shareholder of the Company		(36,564)	(41,729)
- Non-controlling interest			-
		(36,564)	**(41,729)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**(36,564)**	**(41,729)**
Attributable to:			
- Shareholder of the Company		(36,564)	(41,729)
- Non-controlling interest		-	-
		(36,564)	**(41,729)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR MODA AND BEYOND FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

MODA AND BEYOND FZCO DUBAI - U.A.E

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity - for the period ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced May 08, 2023	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(41,729)	-	**(41,729)**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	**(41,729)**	-	**58,271**
Profit/(Loss) for the Period		(36,564)		**(36,564)**
Net Movements during the Period				-
Balance as at March 31, 2025	100,000	(78,293)	-	**21,707**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR MODA AND BEYOND FZCO

Mr. Rahul Khettry
Authorized Signatory

MODA AND BEYOND FZCO DUBAI - U.A.E

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab

Cash Flow Statement for the period ended March 31, 2025

		(figures in AED)
	01.04.2024 to 31.03.2025	08.05.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	(36,564)	(41,729)
Adjustments:		
Depreciation	-	-
Financial Charges	408	-
Net cash from operating activities	(36,156)	**(41,729)**
Changes in working capital		
(Increase)/Decrease in other current assets	-	(2,741)
Increase/(Decrease) in Trade payables	235	1,785
Net cash used in operating activities	**(35,921)**	**(42,685)**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	(408)	-
Shareholder Current Account	-	-
Net cash generated in financing activities	**(408)**	**100,000**
Net increase in cash and cash equivalents	(36,329)	57,315
Cash and cash equivalents beginning of period	57,315	-
Cash and cash equivalents end of period	**20,986**	**57,315**
Represented by:		
Cash Balance	-	-
Bank Balance	20,986	57,315
	20,986	**57,315**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR MODA AND BEYOND FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

MODA AND BEYOND FZCO
DUBAI - U.A.E

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 **LEGAL STATUS :**

MODA AND BEYOND FZCO is incorporated on **May 08, 2023 under License No.- 05684 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

On January 09, 2024 company name has been changed from PDS Design Services FZCO to Moda and Beyond FZCO

The registered address of the company is Premises No. 2 E M003, 2 Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2 **BUSINESS ACTIVITIES :**

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

3 **Basis of Preparation**

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a accumulated net loss of AED 78,293 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2023 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2023 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

		(figures in AED)
	01.04.2024 to 31.03.2025	08.05.2023 to 31.03.2024
7 Advances, Deposits and Trade Receivables		
DAFZA Portal Balance	102	103
Prepaid Expenses	2,639	2,638
	2,741	2,741

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

	01.04.2024 to 31.03.2025	08.05.2023 to 31.03.2024
8 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	20,986	57,315
	20,986	**57,315**

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	100%	100	100,000

10 Retained Earnings		
Balance at the beginning of the Period	(41,729)	-
Profit/(Loss) for the Period	(36,564)	(41,729)
Balance at the end of the Period	**(78,293)**	**(41,729)**
11 Trade & Other Payables		
Other Payables	2,020	1,785
	2,020	**1,785**

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

13 General & Administrative Expenses	01.04.2024 to 31.03.2025	08.05.2023 to 31.03.2024
License Fee	17,040	15,788
Legal and professional expenses	2,471	10,683
Rent Expenses	16,645	15,258
	36,156	**41,729**

14 RISK MANAGEMENT

14.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

MODA AND BEYOND FZCO

Premises No. 2 E M003, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

14.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

14.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

15 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from 01 April 2024, to March 31, 2025 The Previous fiscal period covers the period of 10 months and 23 days from May 08, 2023 to March 31, 2024.Previous year figures might be reclassified & regrouped to conform to the current year presentation.

16 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on April 30, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR MODA AND BEYOND FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

MODA AND BEYOND FZCO DUBAI - U.A.E

Multinational Textile Group Limited

Financial statements

31 March 2025

Multinational Textile Group Limited

Financial statements
for the year ended 31 March 2025

Contents

Multinational Textile Group Limited

Corporate data

Directors:		**Date of appointment**	**Date of resignation**
	SETH Deepak Kumar	15 May 2006	-
	SETH Pallak	15 May 2006	-
	SHAH Sharmil	01 March 2018	-
	KUREEMUN Sheik Mohamad Ally Shameem	07 August 2018	-
	RAMGUTTEE Krishna (Alternate to KUREEMUN Sheik Mohamad Ally Shameem)	07 August 2018	-
	PARIKH Nishant Ravindra	08 December 2021	-

Company secretary:
Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No. 5 President John Kennedy Street
Port Louis
Republic of Mauritius

Registered office:
C/o Rogers Capital Corporate Services Limited
3rd Floor, Rogers House
No. 5 President John Kennedy Street
Port Louis
Republic of Mauritius

Auditor:
Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Republic of Mauritius

Bankers:
HSBC Bank (Mauritius) Limited
Icon Ebène, Level 5,
Office 1 (West Wing),
Rue de l'Institut
Ebène
Republic of Mauritius

AfrAsia Bank Limited
4th Floor, NeXTeracom
Tower III, Ebène
Republic of Mauritius

UBS AG
5 Broadgate
London EC2M 2AN

Multinational Textile Group Limited

Directors' report

The directors are pleased to present their report together with the audited financial statements of Multinational Textile Group Limited (the "Company") for the year ended 31 March 2025.

Principal activity

The principal activity of the Company is the holding of investments and provision of consultancy services.

Results and dividend

The results for the year are shown on page 7.

The Company has paid a dividend USD 7,500,000 for the year under review (2024: USD 8,500,000).

Statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company and of the profit or loss of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Auditors

The auditors, Lancasters Chartered Accountants, have expressed their willingness to continue in the office for the next financial year end.

By order of the Board of Directors

Director

Date: 14 may 2025

Rogers Capital

Multinational Textile Group Limited

Secretary's certificate
for the year ended 31 March 2025

Statement from secretary under Section 166 (d) of the Mauritius Companies Act 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the company under the Mauritius Companies Act 2001.

Mdamcesay

For and on behalf of **ROGERS CAPITAL CORPORATE SERVICES LIMITED**
Company secretary

Date: 14 May 2025

Lancasters
Chartered Accountants

Auditor's report to member of Multinational Textile Group Limited

Opinion

We have audited the financial statements of Multinational Textile Group Limited (the "Company") set out on pages 7 to 45 which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of, the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Company Secretary's Certificate as required by the Companies Act 2001, but does not include the financial statements nor our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

DGG
INDEPENDENT MEMBER

Auditor's report to member of Multinational Textile Group Limited (continued)

Responsibilities of the Directors for the Financial Statements (continued)

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 scepticism 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the director'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 the directors 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.

Auditor's report to member of Multinational Textile Group Limited (continued)

Other matter

This report is made solely for the Company's member, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Lancasters

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius

Pasram Bissessur FCCA, ACA, MBA (UK)
Licensed by FRC

Date: 14.05.2025

INDEPENDENT MEMBER

Multinational Textile Group Limited

Statement of profit or loss and other comprehensive income
for the year ended 31 March 2025

	Note	2025 USD	2024 USD
Revenue	7	**29,543,727**	30,649,128
Expenses		**(20,375,744)**	(14,345,681)
Profit from operating activities		**9,167,983**	16,303,447
Finance income		**2,745**	643
Finance costs		**(3,292)**	(3,253)
Net finance costs	8	**(547)**	(2,610)
Receivables written-off		**(4,180,346)**	(24,233)
Investments written-off		**-**	(50,000)
Unrealised gain on revaluation of financial assets measured at fair value through profit and loss		**-**	4,472
Loss on disposal of subsidiary		**(7,300)**	(2,303)
		(4,187,646)	(72,064)
Profit before taxation		**4,979,790**	16,228,773
Income tax expense	9	**58,181**	(103,741)
Profit for the year		**5,037,971**	16,125,032
Other comprehensive (loss) / income		**(83,031)**	40,514
Total comprehensive income for the year		**4,954,940**	16,165,546

The notes on pages 12 to 45 form part of these financial statements.

Multinational Textile Group Limited

Statement of financial position
At 31 March 2025

	Note	2025 USD	2024 USD
Assets			
Investments in subsidiaries	10	**139,465,966**	85,015,952
Financial assets at fair value through other comprehensive income	12	**295,265**	378,296
Intangible assets	14	**550,963**	287,445
Deposit on shares	15	**-**	15,700,000
Total non-current assets		**140,312,194**	101,381,693
Current assets			
Other receivables	16	**22,735,386**	12,030,600
Cash and cash equivalents		**677,312**	905,183
Total current assets		**23,412,698**	12,935,783
Total assets		**163,724,892**	114,317,476
Equity and liabilities			
Equity			
Stated capital	17	**28,068,545**	21,948,270
Share premium		**26,880,371**	-
Revenue reserves		**36,502,696**	38,964,725
Revaluation reserves		**(25,737)**	57,294
Total equity		**91,425,875**	60,970,289
Liabilities			
Non-current liabilities			
Other payables	18 (a)	**25,867,716**	44,500,000
Current liabilities			
Other payables	18 (b)	**46,431,301**	8,789,006
Tax payable	9	**-**	58,181
Total current liabilities		**46,431,301**	8,847,187
Total equity and liabilities		**163,724,892**	114,317,476

The financial statements were approved by the Board of Directors on 14 may 2025 and signed on its behalf by

Director Director

The notes on pages 12 to 45 form part of these financial statements.

Multinational Textile Group Limited

Statement of changes in equity
for the year ended 31 March 2025

	Stated Capital USD	Share Premium USD	Revenue reserves USD	Revaluation Reserves USD	Total Equity USD
Balance at 01 April 2023	21,948,270	-	31,339,693	16,780	53,304,743
Profit for the year	-	-	16,125,032	-	16,125,032
Dividend paid	-	-	(8,500,000)	-	(8,500,000)
Revaluation of equity investments	-	-	-	40,514	40,514
Balance at 31 March 2024	21,948,270	-	38,964,725	57,294	60,970,289
Total comprehensive income for the year					
Movement during the year	**6,120,275**	**26,880,371**	-	-	**33,000,646**
Profit for the year	-	-	**5,037,971**	-	**5,037,971**
Dividend paid	-	-	**(7,500,000)**	-	**(7,500,000)**
Revaluation of equity investments	-	-	-	**(83,031)**	**(83,031)**
Balance at 31 March 2025	**28,068,545**	**26,880,371**	**36,502,696**	**(25,737)**	**91,425,875**

The notes on pages 12 to 45 form part of these financial statements.

Multinational Textile Group Limited

Statement of cash flows
for the year ended 31 March 2025

	2025 USD	2024 USD
Cash flows from operating activities		
Profit before taxation	**4,979,790**	16,228,773
Adjustments for:		
Dividend income	**(16,800,000)**	(21,802,018)
Amortisation and impairment of intangible assets	**275,482**	-
Interest income	**(676,428)**	(134,781)
Unrealised loss on foreign exchange	**547**	2,610
Gain on revaluation of financial assets at fair value through profit or loss	**-**	4,472
Receivables written-off / payables waived-off	**4,180,346**	24,233
Loss on disposal of subsidiary	**7,300**	2,303
Investments written-off	**-**	50,000
	(8,032,963)	(5,624,408)
Change in other receivables	**(9,878,547)**	(25,701,942)
Change in other payables	**88,349,174**	21,648,230
Movement in deposit on shares	-	1,688,096
Cash from operating activities	**70,437,664**	(7,990,024)
Tax paid	-	(268,882)
Net cash from / (used in) operating activities	**70,437,664**	(8,258,906)
Cash flows from investing activities		
Dividend received	**16,800,000**	21,802,018
Interest received	**676,428**	134,781
Acquisition of investments	**(38,750,014)**	(4,492,566)
Acquisition of intangibles assets	**(539,000)**	-
Proceed from disposal of investments	**(7,300)**	141,518
Net cash from (used in) / from investing activities	**(21,819,886)**	17,585,751

The notes on pages 12 to 45 form part of these financial statements.

Multinational Textile Group Limited

Statement of cash flows (continued)
for the year ended 31 March 2025

	2025 USD	2024 USD
Cash flows from financing activities		
Repayment of amount due to holding company	**(7,780,075)**	(11,810,000)
Repayment of amount by related parties	**11,839,925**	34,465,232
Repayment of amount to related parties	**(18,982,285)**	(22,994,994)
Advances given to related parties	**(59,423,860)**	-
Proceeds from issue of share capital	**6,120,275**	-
Proceeds from issue of share premium	**26,880,371**	-
Dividend paid	**(7,500,000)**	(8,500,000)
Net cash used in financing activities	**(48,845,649)**	(8,839,762)
Net movement in cash and cash equivalents	**(227,871)**	487,083
Cash and cash equivalents at 01 April	**905,183**	418,100
Cash and cash equivalents at 31 March	**677,312**	905,183

The notes on pages 12 to 45 form part of these financial statements.

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

1. General information

The Company was incorporated as a private limited company on 28 March 2006 and was granted a Global Business Licence on 29 March 2006. The principal activity of the Company is the holding of investments and provision of consultancy services. The Company's registered office is C/o Rogers Capital Corporate Services Limited, 3rd floor Rogers House, No. 5, President John Kennedy Street, Port Louis, Mauritius.

The Company is a holder of a Global Business License under the Mauritius Companies Act and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Mauritius Companies Act. The Company is a sub subsidiary of PDS Limited and has taken advantage of paragraph 4 of International Financial Reporting Standards (IFRS 10) - 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as its ultimate holding company is preparing consolidated financial statements as per IFRS as issued by the IASB. The registered PDS Limited where the consolidated financial statements are available is Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis, except where stated otherwise.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company's functional and presentational currency.

(d) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

<u>Assumption and estimation uncertainties</u>

Information about assumptions, estimation uncertainties and critical judgements in applying accounting policies that have the most significant risk of resulting in a material adjustment in these financial statements are included in the relevant notes as follows:

2. **Basis of preparation (continued)**

(d) *Use of judgements and estimates (continued)*

Assumption and estimation uncertainties (continued)

- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of loan; and
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Application of new and revised International Financial Reporting Standards (IFRSs)

(a) New standards, interpretations and amendments adopted during the year

There have been amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year:

Classification of liabilities as current or non-current and on-current liabilities with covenants *(Amendments to IAS 1)*

Under existing IAS 1 requirements, companies classify liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional was removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. The amendments confirm that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The amendments also clarify how an entity classifies a liability that can be settled in its own shares. When a liability includes a counterparty conversion option that involves a transfer of the company's own equity instruments, the conversion option is recognised as either equity or a liability separately from the host liability under IAS 32 Financial Instruments: Presentation. The amendments now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted. It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

3. **Application of new and revised International Financial Reporting Standards (IFRSs) (continued)**

(b) New standards, interpretations and amendments issued but not yet effective (continued)

Classification and measurement requirements for financial instruments (Amendments to IFRS 7 and IFRS 9)

Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 7, IFRS 9 and IAS 7)

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

IFRS 9 amendments

The IASB's amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured.

Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price.

The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.

The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. However, the amendment does not address how to distinguish between derecognition and modification of a lease liability. The IASB has indicated that it may consider this issue as part of a future project.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

IAS 7 amendments

The IASB amendments replace the term 'cost method' with 'at cost'. The IASB had removed the definition of 'cost method' from IFRS Accounting Standards in May 2008 however, at that time, the IASB had not amended certain paragraphs of IAS 7.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

3. **Application of new and revised International Financial Reporting Standards (IFRSs) (continued)**

(b) New standards, interpretations and amendments issued but not yet effective (continued)

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories being, operating, investing, and financing activities, based on a company's main business activities. However, the company's net profit will not change.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g., cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 also requires the disclosure of Management Performance Indicators ("MPMs") which are subject to audit. They are designed to capture some but not all 'non-GAAP' measures. The standard requires MPMs to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciled to an amount determined under IFRS Accounting Standards. Furthermore, a company must state that it provides management's view of financial performance and is not necessarily comparable to those of other companies. Any changes or new MPMs must also be explained.

The directors have assessed that the amendments did not have any impact on the separate financial statements.

4. **Critical accounting estimates and judgements**

Critical accounting judgements in applying the Company's accounting policies

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgement areas

Determination of functional currency

The determination of the functional currency of the Company is critical since recordings of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the United States Dollar (USD).

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

4. Critical accounting estimates and judgements (continued)

Estimates and assumptions

Impairment of investment in subsidiaries

The carrying values of investment in subsidiaries are tested for impairment whenever there is any objective evidence or indication that the investments may be impaired. This determination requires significant judgement. In estimating the recoverable amount of the investment, the Company evaluates, amongst other factors, the future profitability of the subsidiary, its financial health and near-term business outlook, including factors such as industry and sector performance, changes in technology, and operational and financing cash flows.

5. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise stated:

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the statement of comprehensive income as "net foreign exchange gains/losses", except for those arising on financial instruments at fair value through profit or loss which are recognised as a component of net gains/losses from financial instruments at fair value through profit or loss.

(b) Revenue recognition

Revenue is recognised as follows:

- Dividend income: when the Company's right to receive dividend is established.
- Interest income: as it accrues (taking into account the effective yield on the assets).
- Other income is recognised in the statement of profit or loss and other comprehensive income on an accrual basis consisting of Management fees, professional fees income, corporate service fees income, Sap fees income, commission income and consultancy fees income.

(c) Finance income and costs

Finance income comprises of interest income and gains on foreign exchange. Interest income is recognised as it accrues in statement of profit or loss and other comprehensive income, using the effective interest method.

Finance costs comprise losses on foreign exchange and interest expenses.

Foreign currency gains and losses are reported on a net basis.

5. **Material accounting policies (continued)**

(d) *Income tax*

Income tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items directly in equity or in other comprehensive income (OCI).

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the 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 also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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 realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

5. **Material accounting policies (continued)**

(e) *Investments in subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiary is shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

(f) *Investments in associate*

Investments in associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. Investment in associate have been accounted at cost less impairment.

(g) *Financial instruments*

(i) Recognition and initial measurement

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

5. **Material accounting policies (continued)**

(g) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

5. **Material accounting policies (continued)**

(g) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

Financial assets - Business model assessment (continued)

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).
- features that modify consideration of the time value of money (example: periodic reset of interest rates).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

5. **Material accounting policies (continued)**

(g) *Financial instruments (continued)*

(ii) Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

5. **Material accounting policies (continued)**

(g) *Financial instruments (continued)*

(iii) Derecognition

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

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

(h) *Share capital*

Ordinary shares

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

(i) *Impairment*

(i) Non-derivative financial assets

Financial instruments and contract assets

The Company recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company also recognises loss allowances for ECLs on trade and other receivables and cash and cash equivalents.

5. **Material accounting policies (continued)**

(i) *Impairment (continued)*

(ii) Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and other receivables and cash and cash equivalents are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

  the financial asset is more than 90 days past due.

5. **Material accounting policies (continued)**

(i) *Impairment (continued)*

(ii) Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the
12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;

  a breach of contract such as a default or being more than 90 days past due;

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

5. **Material accounting policies (continued)**

(i) *Impairment (continued)*

(ii) Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(iii) Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

5. **Material accounting policies (continued)**

(i) Impairment (continued)

(iii) Non-financial assets (continued)

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(l) Related parties

Related parties may be individuals or other entities where the individual or other entities has the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in governing the financial and operating policies, or vice versa, or where the Company is subject to common control of common significant influence.

(m) Intangible assets

Intangible assets, including patents and trademarks, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets that have indefinite life are reviewed at each reporting period to assess whether there are indication of impairment and to determine whether events and circumstances continue to support the indefinite useful life of that asset.

6. **Financial instruments – Fair values and risk management**

(a) Accounting classifications and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2025	Amortised cost USD	Financial assets at fair value USD	Total USD	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets measured at fair value							
Financial assets at fair value through other comprehensive income	-	295,265	295,265	-	-	295,265	295,265
Financial assets not measured at fair value							
Other receivables	22,734,611	-	22,734,611	-	-	-	-
Cash and cash equivalents	677,312	-	677,312	-	-	-	-
	23,411,923	-	23,411,923	-	-	-	-
Financial liabilities not measured at fair value							
Other payables	72,299,017	-	72,299,017	-	-	-	-

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

6. Financial instruments – Fair values and risk management (continued)

(a) Accounting classifications and fair values (continued)

31 March 2024	Amortised cost USD	Financial assets at fair value USD	Total USD	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets measured at fair value							
Financial assets at fair value through other comprehensive income	-	378,296	378,296	-	-	378,296	378,296
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-
	-	378,296	378,296	-	-	379,296	378,296
Financial assets not measured at fair value							
Other receivables	11,338,117	-	11,338,117	-	-	-	-
Cash and cash equivalents	905,183	-	905,183	-	-	-	-
	12,243,300	-	12,243,300	-	-	-	-
Financial liabilities not measured at fair value							
Other payables	53,289,006	-	53,289,006	-	-	-	-

6. **Financial instruments – Fair values and risk management (continued)**

(b) *Measurement of fair values*

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Company	Valuation technique	Significant unobservable inputs
Exchange Juhu Limited	Discounted Cash Flow Method	Present and prospective competition; Changes in yield curve; Market sentiment
Flying Jamon Limited	Net Asset Method	Present and prospective competition; Changes in yield curve; Market sentiment

(c) *Financial risk management objective and policies*

Introduction and preview

Financial instruments carried on the statement of financial position include financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, other receivables, cash and cash equivalents and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are market risk, credit risk and liquidity risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews their risk management policies and systems to reflect changes in markets and emerging best practice.

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

(i) *Market risk*

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

6. **Financial instruments – Fair values and risk management (continued)**

(c) *Financial risk management objective and policies (continued)*

(i) *Market risk (continued)*

- *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant exposure to interest rate risk other than relating to its bank balances as the loans are either interest free or bear a fixed rate of interest.

- *Price risk*

The Company is not exposed to commodity price risk.

- *Currency risk*

The Company invests in stocks denominated in Great Britain Pound (GBP). Consequently, the Company is exposed to the risk that the exchange rate of the US Dollar relative to the Great Britain Pound may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities, which are denominated in USD.

Currency profile

	Financial assets 2025 USD	**Financial liabilities 2025 USD**	Financial assets 2024 USD	Financial liabilities 2024 USD
USD	**23,447,856**	**68,928,429**	12,431,644	53,230,246
GBP	**259,332**	**3,370,588**	189,952	58,760
	23,707,188	**72,299,017**	12,621,596	53,289,006

A 10 % strengthening of USD against the GBP at 31st March 2025 would have decrease net profit before tax by USD (311,256) (2024: increase net profit before tax by USD 13,119). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis in 2024.

6. **Financial instruments – Fair values and risk management (continued)**

(c) Financial risk management objective and policies (continued)

(i) Market risk (continued)

- *Currency risk (continued)*

Sensitivity Analysis:

Currency	**2025 USD**	2024 USD
GBP	**(311,256)**	13,119

Similarly, a 10% weakening of the USD against the GBP at 31st March 2024 would have had the exact reverse effect.

(ii) Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions through companies within the group. At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	2025 USD	2024 USD
Other receivables	**22,734,611**	11,338,117
Cash and cash equivalents	**677,312**	905,183
	23,411,923	12,243,300

6. **Financial instruments – Fair values and risk management (continued)**

(c) *Financial risk management objective and policies (continued)*

Expected credit loss assessment

(i) *Other receivables*

The Company applies the simplified approach to measuring expected credit losses, as permitted by IFRS 9, which uses a 12-month expected loss allowance for deposit on shares and other receivables.

The expected credit loss on other receivables was deemed by management to be not material and therefore no impairment allowances were accounted for.

(ii) *Cash and cash equivalents*

The Company held cash and cash equivalents of USD 677,312 at 31 March 2025 (2024: USD 905,183). The cash and cash equivalents are held with banks with international repute and having strong track record in the banking industry.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The expected credit loss on cash and cash equivalents was deemed by management to be not material and therefore no impairment allowances were accounted for.

(iii) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

	Due on Demand	**Within one year**	**One to five years**	**Total**
31 March 2025	**USD**	**USD**	**USD**	**USD**
Financial liabilities				
Other payables	**46,431,301**	**-**	**25,867,716**	**72,299,017**
Total financial liabilities	**46,431,301**	**-**	**25,867,716**	**72,299,017**
31 March 2024	USD	USD	USD	USD
Financial liabilities				
Other payables	8,789,006	-	44,500,000	53,289,006
Total financial liabilities	8,789,006	-	44,500,000	53,289,006

7. Revenue

Revenue consists of the following:

	2025 USD	2024 USD
Dividend income	**16,800,000**	21,802,018
Management fees income	**6,993,076**	4,255,383
IT Licence income	**1,225,267**	917,666
Consultancy income	**1,010,943**	-
SAP Fee income	**992,563**	613,187
Recharge fee income	**783,871**	2,321,036
Interest income	**676,428**	134,781
Commission income	**292,346**	285,796
Corporate service fees income	**707,358**	286,420
Other income	**53,776**	-
Leave and gratuity income	**8,099**	8,160
Insurance fee income	**-**	24,681
	29,543,727	30,649,128

8. Net finance costs

	2025 USD	2024 USD
Finance income		
Gain on foreign exchange	**2,745**	643
	2,745	643
Finance costs		
Loss on foreign exchange	**(3,292)**	(3,253)
	(3,292)	(3,253)
Net finance costs	**(547)**	(2,610)

9. Income tax expense

The Company holds a Global Business Licence for the purpose of the Financial Services Act 2007 of Mauritius. The Company is liable to tax at the rate of 15% on all its income. Pursuant to the enactment of the Finance Act 2018, with effect since 01 January 2019, the deemed foreign tax credit has phased out since 01 July 2021. Any income derived prior 30 June 2021, will still be entitled to deemed foreign tax credit of 80% or actual foreign tax credit, whichever is the higher. Any income derived after 30 June 2021 will be subject to tax at the rate of 15% and would be entitled to either:

(a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability arising in Mauritius on such income, or

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

9. Income tax expense (continued)

(b) a partial exemption of 80% applicable to specified income, including but not limited to foreign-source dividends or interest income, subject to the Company meeting the necessary substance requirements.

Further, the Company is exempted from income tax in Mauritius on profits or gains arising from the sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

A reconciliation of the actual income tax based on accounting profit and the actual income tax expense is as follows:

A reconciliation of the actual income tax expense based on accounting loss and actual income tax expense is as follows:

Recognised in statement of profit or loss and other comprehensive income

	2025 USD	2024 USD
Current year tax charge	**-**	114,562
Over provision of previous year	**(58,181)**	(10,821)
Current year tax expenses	**(58,181)**	103,741

Reconciliation of effective taxation

	2025 USD	2024 USD
Profit before taxation	**4,979,790**	16,228,773
Income tax at 15%	**746,968**	2,434,316
Non-deductible expense	**747,633**	586,333
Non-taxable income	**(8,478)**	(671)
Exempt income	**(1,677,171)**	(2,905,416)
Deferred tax not recognised	**191,048**	-
Current year tax charge	**-**	(114,562)

Current tax liability	**2025 USD**	2024 USD
Balance at 01 April	**58,181**	223,322
Over provision of previous year	**(58,181)**	(10,821)
Current year tax charge	**-**	114,562
Tax paid during the year	**-**	(268,882)
Balance at 31 March	**-**	58,181

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

10. Investments in subsidiaries

Investments consist of unquoted shares in subsidiaries and other investment.

	2025	2024
	USD	USD
Cost		
At 01 April	**85,015,952**	80,573,386
Conversion of deposit on shares during the year	**15,700,000**	4,239,065
Additions during the year	**38,775,000**	253,501
Investments written-off	-	(50,000)
Transfer of investment	**(24,986)**	-
At 31 March	**139,465,966**	85,015,952

Name of company	*Type of shares*	*Number of Shares 2025*	*Number of Shares 2024*	*2025 % held*	*2024 % held*	*Country of incorporation*
Subsidiaries						
PDS Sourcing Limited	Equity	**13,987,266**	13,987,266	**100%**	100%	Mauritius
Norwest Industries Limited	Equity	**4,000,000**	4,000,000	**100%**	100%	Hong Kong
Casa Forma Limited	Equity	**925,000**	925,000	**100%**	100%	United Kingdom
PDS Sourcing Bangladesh Limited	Equity	**1,173,989**	1,173,989	**99.98%**	99.98%	Bangladesh
Techno Design GmbH	Equity	**55,000**	55,000	**55%**	55%	Germany
GoodEarth Lifestyle Limited	Equity	**3**	3	**3%**	3%	Hong Kong
PDS Ventures Limited	Equity	**1,000,000**	1,000,000	**100%**	100%	Mauritius
PDS Ventures Limited	Preference	**17,127,065**	17,127,065	**100%**	100%	Mauritius
Progress Manufacturing Group Limited	Equity	**3**	3	**3%**	3%	Hong Kong
Techno Sourcing BD Limited	Equity	**472,944**	472,944	**49%**	49%	Bangladesh
Blueprint Design Limited	Equity	-	10,000	-	100%	Hong Kong
Spring Near East FZCO	Equity	-	55	-	55%	United Arab Emirates
PDS Manufacturing Limited	Equity	**100**	100	**100%**	100%	Mauritius
PDS Manufacturing Limited	Preference	**20,212,000**	20,212,000	**100%**	100%	Mauritius
PDS Multinational FZCO	Equity	**42,305**	42,305	**100%**	100%	United Arab Emirates

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

11. **Investments in associate**

Investments consist of unquoted shares

	2025 USD	2024 USD
Cost		
At 01 April	**115,981**	115,981
At 31 March	**115,981**	115,981
Share of loss of equity accounted investee		
Share of loss during the year	**(115,981)**	(115,981)
Carrying amount		
At 31 March	**-**	-

Name of company	***Type of shares***	***Number of shares***	***2024 % held***	*2023 % held*	***Country of incorporation***
GWD Enterprise Limited	Equity	100 A shares and 25 B shares	**25%**	25%	United Kingdom

12. **Financial assets at fair value through other comprehensive income**

	2025 USD	2024 USD
Cost		
At 01 April	**321,002**	321,002
Movement during the year	-	-
At 31 March	**321,002**	321,002
Unrealised gain on fair value of financial assets		
At 01 April	**57,294**	16,780
Movement during the year	**(83,031)**	40,514
At 31 March	**(25,737)**	57,294
Valuation at 31 March	**295,265**	378,296

Name of company	***Type of shares***	***Number of shares***	***2025 % held***	***2024 % held***	***Country of incorporation***
Exchange Juhu Limited	Preference	200,000	1.33%	1.33%	Mauritius
Exchange Juhu Limited	Equity	2,518	1.48%	1.48%	Mauritius
Flying Jamon Ltd	Preference	3,286	5.91%	5.91%	United Kingdom

Note: Investment in Flying Jamon has been impaired fully.

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

13. **Financial assets at fair value through profit or loss**

	2025	2024
	USD	USD
Cost		
As at 01 April	-	135,481
Disposal during the year	-	(135,481)
Balance as at 31 March	**-**	-
Unrealised gain on fair value of investments		
As at 01 April	-	6,171
Movement during the year	-	(6,171)
At 31 March	**-**	-
Valuation at 31 March	**-**	-

14. **Intangible assets**

	2025	2024
	USD	USD
Cost		
As at 01 April	**287,445**	287,445
Additional during the year	**539,000**	-
At 31 March	**826,445**	287,445
Amortisation		
As at 01 April	**-**	-
Movement during the year	**275,482**	-
At 31 March	**275,482**	-
Value at 31 March	**550,963**	287,445

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

15. **Deposit on shares**

	2025	2024
	USD	USD
As at 01 April	**15,700,000**	17,388,096
Addition during the year	-	250,000
Allotted during the year	**(15,700,000)**	(1,500,000)
Reclassified to prepayments	-	(438,096)
Balance as at 31 March	-	15,700,000

16. **Other receivables**

	2025	2024
	USD	USD
Loan / advances to subsidiaries	**13,493,623**	7,285,215
Other receivables	**6,372,976**	3,584,101
Management fees receivable	**1,377,829**	290,911
Interest receivable	**809,789**	133,361
Commission receivable	**112,414**	14,991
Corporate service fees receivable	**559,881**	19,878
Leave and gratuity receivable	**8,099**	8,160
Prepaid expenses	**775**	693,483
	22,735,386	12,030,600

The above loans and advances to subsidiaries and related parties are unsecured, interest free with no fixed term of repayment.

The above loans and advances to third parties are unsecured, interest bearing with no fixed term of repayment.

17. **Stated capital**

	2025	2024
	USD	USD
Stated capital		
28,065,545 (2024:21,948,270) ordinary shares of USD 1 each	**28,068,545**	21,948,270

All shares in issue are fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

18. **Other payables**

(a) Non-current liabilities

	2025	2024
	USD	USD
Advance from related party	**25,867,716**	44,500,000
	=========	=========

(b) Current liabilities

	2025	2024
	USD	USD
Advance from related party	**34,529,541**	5,482,148
Other payable	**11,861,939**	3,275,585
Accrued expenses	**39,821**	31,273
	---------------	---------------
	46,431,301	8,789,006
	=========	=========

19. **Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subject to common control.

Two directors the Company are deemed to have beneficial interests in the Administration Agreement between the Company, the Administrator and Secretary.

During the year under review, the Company entered into the following related party transactions.

		2025	2024
Name of related companies:	***Nature***	**USD**	USD
Blueprint Design Limited	(Advanced written off)	**(4,170,000)**	4,170,000
Brand Collective Ltd	Accrued	**94,499**	13,322
Brand Collective Ltd	(Received)	**107,821**	13,322
Casa collective	Accrued	**236,950**	-
Casa collective	(Received)	**199,438**	-
Casa forma Ltd	Loan advanced	**20,000**	-
Casa forma Ltd	Interest accrued	**148**	-
Clover Collections	(Advance payment) / accrued	**5,000**	-
Clover Collections FZCO	(Received)	**(651)**	(36,000)
Collaborative Sourcing Services FZCO	Accrued	**253**	1,242
Collaborative Sourcing Services FZCO	(Reversed)	**(1,242)**	-
DBS Lifestyle India	Accrued	**88,573**	26,824
DBS Lifestyle India	(Received)	**(55,489)**	-
Deepak Seth	(Payable accrued)	**(364,000)**	126,940
Deepak Seth	Repaid	**(273,000)**	126,940
Design Arc Asia Limited	Accrued	**558,461**	587,451
Design Arc Asia Limited	(Received)	**(330,973)**	(955,165)
Design Arc Asia Limited	Payable Reversed	**348,353**	(955,165)

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

19. Related party transactions (continued)

Name of related companies:	*Nature*	2025 USD	2024 USD
Green Apparel Industries Limited	Accrued	**345,867**	-
Green Apparel Industries Limited	(Received)	**(344,710)**	-
Green Smart Shirt Ltd	Accrued	**43,125**	-
Green Smart Shirt Ltd	(Received)	**(43,125)**	-
Grupo Sourcing Limited	Accrued	**46,781**	89,299
Grupo Sourcing Limited	(Received)	**(43,638)**	(87,200)
GWD Enterprises Limited	Re-assignment	-	-
Kleider Sourcing FZCO	Advance	-	-
Krayons Sourcing Limited	Accrued	**284,489**	204,864
Krayons Sourcing Limited	(Received)	**(141,200)**	(349,440)
LILLY AND SID	Accrued	**6,404**	5,617
LILLY AND SID	Received	**8,819**	-
Nor Lanka Manufacturing	Accrued	**655,548**	-
Nor Lanka Manufacturing	(Received)	**(655,548)**	(6,084)
NORLANKA BRANDS	Accrued	**491**	422
NORLANKA BRANDS	(Received)	**(913)**	-
Norwest Industries Limited	Accrued	**1,561,291**	32,269,764
Norwest Industries Limited	Dividend income	**8,000,000**	-
Norwest Industries Limited	(Received)	**(25,262,194)**	37,978,947
Online Enterprise HK Limited	Accrued	**117,541**	-
PDS Asia star Corporation	Accrued	**306,828**	-
PDS Asia star Corporation	(Received)	**(306,828)**	-
DBS Lifestyle Limited	Accrued	**1,031,809**	-
DBS Lifestyle Limited	(Received)	**674,070**	-
PDS Ltd	(Accrued expense)	**(12,185,774)**	(20,803,971)
PDS Ltd	Paid	**7,780,074**	25,623,693
PDS Ltd	Dividend distribution	**(7.500.000)**	-
PDS Ltd	Dividend Paid	**7,500,000**	-
PDS Manufacturing Limited	Advance	-	10,000
PDS Multinational FZCO	Accrued	**2500**	-
PDS Multinational FZCO	Disposal of investments	**14,986**	-
PDS Multinational FZCO	Dividend income	**5,900,000**	5,200,000
PDS Multinational FZCO	Advanced	**160,000**	-
PDS Multinational FZCO	(Received)	-	(9,312,000)
PDS Sourcing Limited	Loan Advances	**10,829,180**	12,216,789
PDS Sourcing Limited	Interest accrued	**422,134**	-
PDS Sourcing Limited	Dividend income	**3,500,000**	(8,476,747)
PDS Sourcing Limited	(Amount received)	**(6,044,727)**	-
PDS Ventures Limited	Advance / (Received)	**50,000**	(612,065)
PDS Ventures Limited	Recharge Expense	**(2,000)**	-
Poeticgem International Limited	Accrued	**281,023**	1,109,234
Poeticgem International Limited	(Received)	**(337,483)**	(1,508,253)
Poeticgem Limited	Received	-	-
Priscilla Investments Limited	Accrued	-	3,133,361
PDS Fashion USA (Prev Pro Trusted Med Tech)	Accrued	**234,954**	-
PDS Fashion USA (Prev Pro Trusted Med Tech)	Received	**(252,459)**	-
Progress Manufacturing Group Limited	Received	-	-

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

19. **Related party transactions (continued)**

PROGRESSIVE CRUSADE UNIPESSOAL	Accrued	**69,196**	778
PROGRESSIVE CRUSADE UNIPESSOAL	(Received)	**(69,196)**	-
Simple Approach Limited	Accrued	**1,336,614**	889,337
Simple Approach Limited	(Received)	**(1,350,536)**	(977,851)
Sourcing Solutions Limited	Accrued	**142,943**	-
Sourcing Solutions Limited	(Received)	**(142,943)**	(12,783)
Sunny Up Ltd	Accrued	**-**	17,122
Techno Design HK	Accrued	**118,284**	433,025
Techno Design HK	(Received)	**(118,284)**	(326,957)
Twins Asia limited	Accrued	**256,606**	37,037
Twins Asia limited	(Received)	**(256,606)**	32,576
Angelic Partners Ltd	Accrued	**52,040**	-
Angelic Partners Ltd	(Received)	**(70,413)**	-
Design Hub Sourcing FZCO	Accrued	**61,826**	-
Design Hub Sourcing FZCO	(Received)	**(18,022)**	-
360 NOTCH LIMITED	Accrued	**2,500**	-
360 NOTCH LIMITED	(Received)	**(2,500)**	-
Far East Vogue	Accrued	**2,500**	-
Far East Vogue	(Received)	**(2,500)**	-
H Wear Limited	Accrued	**194,923**	-
H Wear Limited	(Received)	**(194,923)**	-
JCraft Array Ltd	Accrued	**46,243**	-
JCraft Array Ltd	(Received)	**(46,243)**	-
Kleider Sourcing FZCO	Accrued	**192,230**	-
Kleider Sourcing FZCO	(Received)	**(192,230)**	-
MODA & BEYOND LIMITED	Accrued	**1,250**	-
NODES STUDIO LDA	Accrued	**63,220**	-
NODES STUDIO LDA	(Received)	**(63,220)**	-
PDS Brands	Accrued	**131,264**	-
PDS Brands	(Received)	**(131,264)**	-
PDS Central America Limited	Accrued	**13,118**	-
PDS Central America Limited	(Received)	**(13,118)**	-
PDS Fashions Limited	(Accrued expense)	**(3,337,263)**	-
PDS Lifestyle FZCO	Accrued	**51,415**	-
PDS Lifestyle FZCO	(Received)	**(12,871)**	-
PDS Radius Brands FZCO	Accrued	**46,515**	-
PDS Radius Brands FZCO	(Received)	**(33,957)**	-
PDS SMART FABRIC TECH LTD.	Accrued	**2,748**	-
PDS SMART FABRIC TECH LTD.	(Received)	**(2,748)**	-
Northern Apparel Limited(PDS Tailoring Ltd)	Accrued	**70,911**	-
Northern Apparel Limited(PDS Tailoring Ltd)	(Received)	**(70,911)**	-
PG Group	Accrued	**46,375**	-
PG Group	(Received)	**(46,375)**	-
PG Home Group	Accrued	**11,940**	-
PG Home Group	(Received)	**(11,940)**	-

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

19. Related party transactions (continued)

Progress Manufacturing	Accrued	**640,881**	-
Progress Manufacturing	(Received)	**(640,881)**	-
Spring Near East	Accrued	**306,227**	-
Spring Near East	(Received)	**200,846**	-
SPRING NEAR EAST FZCO	Accrued	**10,943**	-
SPRING NEAR EAST FZCO	(Received)	**(10,943)**	-
Styleberry Limited	Accrued	**3,931**	-
Techno Design GmbH	Accrued	**328,421**	-
Techno Design GmbH	(Received)	**(263,944)**	-
Twin Asia FZCO	Accrued	**12,500**	-
Twin Asia FZCO	(Received)	**(12,500)**	-
WONDERWALL (F.E.) Limited (HK)	Accrued	**130,778**	-
WONDERWALL (F.E.) Limited (HK)	(Received)	**(130,778)**	-
Zamira Fashion Ltd	Accrued	**220,305**	-
Zamira Fashion Ltd	(Received)	**(220,305)**	-
Infinity Fashion FZCO	Accrued	**484,530**	-

Multinational Textile Group Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2025

19. **Related party transactions (continued)**

Balances outstanding at 31 March:	*Nature*	2025 USD	2024 USD
Blueprint Design Limited	Loan receivable	-	4,170,000
Brand Collective Ltd	Amount receivable	-	13,322
Casa Collective	Amount receivable	**37512**	-
Casa forma Ltd	Amount receivable	**20,148**	-
Clover Collections FZCO	Amount (payable)	**(35,349)**	(36,000)
Collaborative Sourcing Services FZC(	Amount receivable	**253**	1,242
DBS Lifestyle India	Amount receivable	**59,908**	26,824
Deepak Seth	Amount payable	**91,000**	-
Design Arc Asia Limited	Amount receivable / (payable	**227,488**	(348,353)
FX Import Company Limited	Amount receivable	-	-
GoodEarth Apparels Limited	Amount receivable	**18,596**	17,439
Grupo Sourcing Limited	Amount (payable)	**(911)**	(4,054)
GWD Enterprises Limited	Amount receivable	**1**	1
Krayon Sourcing Limited	Amount (payable)	**(1,280)**	(144,576)
LILLY AND SID	Amount receivable	**3,202**	5,617
Nor Lanka Manufacturing	Amount receivable	-	-
NORLANKA BRANDS	Amount receivable	-	422
Norwest Industries Limited	Amount (payable)	**(63,009,494)**	(47,308,591)
Online Enterprise HK		**117,541**	-
PDS Asia Star Corporation	Amount receivable	-	-
DBS Lifestyle Limited	Amount receivable	**493,329**	135,590
PDS Ltd	Amount (payable)	**(4,955,355)**	(595,435)
PDS Manufacturing Limited	Amount receivable	**196,880**	196,880
PDS Multinational FZCO	Amount receivable / (payable	**2,089,677**	(3,987,810)
PDS Sourcing Limited	Amount receivable	**11,760,876**	3,062,289
PDS Ventures Limited	Amount receivable	**48,000**	-
PG Capital FZE	Amount receivable	**7,500**	7,500
Poeticgem International Limited	Amount (payable)	**(238,150)**	(380,356)
PDS Fashion USA (Prev Pro Trusted Med Tech)	Amount (payable)	**(31,162)**	(13,657)
PROGRESSIVE CRUSADE UNIPESSOAL	Amount receivable	-	778
Simple Approach Limited	Amount receivable	**37,812**	51,734
Sourcing Solutions Limited	Amount receivable	-	-
Sunny Up Ltd	Amount receivable	-	17,122
Techno Design HK	Amount receivable	-	57,215
Twin Asia	Amount receivable	-	32,576
Angelic Partners Ltd	Amount receivable	**18,373**	-
Design Hub Sourcing FZCO	Amount receivable	**43,801**	-
MODA & BEYOND LIMITED	Amount receivable	**1,250**	-
PDS Central America Limited	Amount receivable	**13,118**	-
PDS Fashions Limited	Amount Payable	**(3,337,263)**	-
PDS Lifestyle FZCO	Amount receivable	**38,544**	-
PDS Radius Brands FZCO	Amount receivable	**12,558**	-
Spring Near East	Amount receivable	**105,381**	-
Spring Near East FZCO	Amount receivable	**10,943**	-
Styleberry Limited	Amount receivable	**3,931**	-
Techno Design GmbH	Amount receivable	**64,477**	-
Infinity Fashion FZCO	Amount receivable	**484,530**	-
		========	========

20. Capital management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group Companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

21. Holding company

The Company is a wholly owned subsidiary of PDS Limited, a company incorporated in India with its shares listed on The National Stock Exchange of India Limited and Bombay Stock Exchange.

22. Events after the reporting date

There has been no significant event after the reporting date which in the opinion of the board of directors requires disclosure in the financial statements.

Multinational Textile Group Limited

Statement of profit and loss and other comprehensive income
for the year ended 31 March 2025

	2025 USD	2024 USD
Revenue		
Dividend income	**16,800,000**	21,802,018
Management fees income	**6,993,076**	4,255,383
Recharge fee income	**783,871**	2,321,036
IT licence income	**1,225,267**	917,666
SAP fees income	**992,563**	613,187
Corporate service fees income	**707,358**	286,420
Commission income	**292,346**	285,796
Insurance fees income	**-**	24,681
Leave and gratuity income	**8,099**	8,160
Consultancy income	**1,010,943**	-
Interest income	**676,428**	134,781
Other income	**53,776**	-
	29,543,727	30,649,128
Expenses		
Corporate service fees	**12,162,904**	11,613,341
Recharge expenses	**6,378,453**	2,320,876
Professional fee	**220,129**	163,137
Consultancy fees	**699,556**	138,276
Director's cost	**575,000**	50,000
Accounting fee	**24,982**	21,955
Audit fee	**23,105**	18,405
Bank charges	**12,463**	14,483
Administration fees	**-**	2,852
License fees	**2,270**	2,270
Disbursements	**1,400**	86
Amortisation of intangibles	**275,482**	-
	20,375,744	14,345,681
Profit from operating activities	**9,167,983**	16,303,447
Receivables written-off	**(4,180,346)**	(24,233)
Investments written-off	-	(50,000)
Unrealised gain on revaluation of financial assets measured at fair value through profit and loss	-	4,472
Loss on disposal of subsidiary	**(7,300)**	(2,303)
	(4,187,646)	(72,064)
Net finance income	**(547)**	(2,610)
Profit before taxation	**4,979,790**	16,228,773

Company registration number 14841429 (England and Wales)

NEW LOBSTER LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NEW LOBSTER LIMITED

COMPANY INFORMATION

Directors	Mr S Ballari	
	Mr S Goodwin	
	Mr S Jatar	
	Mr M Watts	(Appointed 10 January 2025)
Company number	14841429	
Registered office	6-10 Market Road London N7 9PW	
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	

CONTENTS

NEW LOBSTER LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

Operating as a core licensee for the Ted Baker brand, New Lobster trades as the global hub for the design and sourcing of adult clothing and accessories.

Revenue is primarily derived from the wholesale distribution of Ted Baker-branded products and commissions from sales of other Ted Baker licensee customers. Following a strong first year of trading, this year the business was severely impacted by external events: firstly, the non-related UK retail business, which operated the tedbaker.com website and standalone retail stores, entered administration in April 2024, followed by the US retail partner filing for bankruptcy in June 2024. These developments not only disrupted two of New Lobster’s major revenue streams, but also led to a flood of heavily discounted stock in the marketplace, resulting in reduced demand from wholesale partners and a sharp contraction in both current and forward orders.

In response, the Company acted swiftly and decisively, working closely with the parent group to right-size the business and cost base in line with revised turnover expectations.

Key performance indicators for the year remain to be turnover and profitability. Revenue for the period was £44.6m (2024: £48.7m for the 11 months), with a pre-tax loss of £1.7m (2024: profit of £2.7m).

Despite the headwinds experienced during the year, the Directors and Senior Leadership Team remain confident in the resilience and long-term value of the Ted Baker brand. With a stabilised structure and renewed focus, the Company is well-positioned to return to profitability in the coming financial year.

Principal risks and uncertainties

The Company expects the market to continue to be challenging and competitive in the coming year. The primary risks to the business and expansion are counterparty risks in the current dynamic and evolving environment. On the other hand, we believe the Company is in a good position to capitalise on its leadership, design, and sourcing skills.

Development and performance

We believe the Company is well established in our markets with strong recognition of the Ted Baker brand. We are actively involved in attracting new strong partnerships and customers while building deeper relationships with existing customers. With a strong foundation and robust support from the ultimate parent company, New Lobster is well-positioned for a complete turnaround to long-term growth and consistent performance.

On behalf of the board

M J Watts

Mr M Watts
Director

14 May 2025

NEW LOBSTER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the company continues to be that of the designing and sourcing of apparel.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid (2024: £1,895,298).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Ballari	
Mr S Goodwin	
Mr S Jatar	
Mr B Shah	(Resigned 31 March 2025)
Mr M Watts	(Appointed 10 January 2025)

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

M J Watts

Mr M Watts
Director

14 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW LOBSTER LIMITED

Opinion

We have audited the financial statements of New Lobster Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW LOBSTER LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW LOBSTER LIMITED (CONTINUED)

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management, testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW LOBSTER LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 14 May 2025

Chartered Accountants
Statutory Auditor

NEW LOBSTER LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Revenue	**3**	44,562,201	48,701,950
Cost of sales		(33,788,490)	(30,217,152)
Gross profit		10,773,711	18,484,798
Distribution costs		(3,590,272)	(5,238,150)
Administrative expenses		(11,816,213)	(11,661,880)
Other operating income		3,374,115	1,585,167
Operating (loss)/profit	**4**	(1,258,659)	3,169,935
Finance costs	**7**	(400,432)	(461,797)
(Loss)/profit before taxation		(1,659,091)	2,708,138
Tax on (loss)/profit	**8**	414,478	(677,035)
(Loss)/profit and total comprehensive income for the financial year		(1,244,613)	2,031,103

NEW LOBSTER LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**10**		183,876		74,100
Property, plant and equipment	**11**		57,986		79,779
			241,862		153,879
Current assets					
Inventories	**12**	10,701,241		4,402,395	
Trade and other receivables	**13**	17,204,366		30,133,842	
Cash and cash equivalents		1,307,916		1,205,827	
		29,213,523		35,742,064	
Current liabilities	**14**	(15,954,280)		(21,156,469)	
Net current assets			13,259,243		14,585,595
Net assets			13,501,105		14,739,474
Equity					
Called up share capital	**19**		3		3
Share premium account	**20**		14,599,998		14,599,998
Share-based payments reserve	**21**		9,872		3,628
Retained earnings			(1,108,768)		135,845
Total equity			13,501,105		14,739,474

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 14 May 2025 and are signed on its behalf by:

M J Watts

Mr M Watts
Director

Company registration number 14841429 (England and Wales)

NEW LOBSTER LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Share premium account £	Share-based payments reserve £	Retained earnings £	Total £
Balance at 2 May 2023		-	-	-	-	-
Period ended 31 March 2024:						
Profit and total comprehensive income		-	-	-	2,031,103	2,031,103
Transactions with owners:						
Issue of share capital	**19**	3	14,599,998	-	-	14,600,001
Dividends	**9**	-	-	-	(1,895,258)	(1,895,258)
Other movements		-	-	3,628	-	3,628
Balance at 31 March 2024		3	14,599,998	3,628	135,845	14,739,474
Year ended 31 March 2025:						
Loss and total comprehensive income		-	-	-	(1,244,613)	(1,244,613)
Transactions with owners:						
Other movements		-	-	6,244	-	6,244
Balance at 31 March 2025		3	14,599,998	9,872	(1,108,768)	13,501,105

1 Accounting policies

Company information

New Lobster Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6-10 Market Road, London, N7 9PW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 2 May 2023. Therefore the comparatives for the period ended 31st March 2024 represent 11 months.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Lifestyle Limited. The group accounts of PDS Lifestyle Limited are available to the public and can be obtained as set out in note 24.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1 Accounting policies **(Continued)**

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Agency commission receivable

Commission receivable is earned when the supplier delivers to the end customers.

1.5 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 years straight line

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Accounting policies **(Continued)**

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies **(Continued)**

1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

The ultimate parent company PDS Limited has issued share options to certain directors and employees. These are measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the Black - Scholes option pricing model. The fair value will be charged as an expense in the profit or loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

1 Accounting policies **(Continued)**

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.17 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Share-based payments

The Group operates an employee compensation scheme, settled in equity. The fair value of equity-settled share-based payment arrangements requires significant judgement in the determination of the valuation of options, or the assumptions regarding vesting conditions being met, which will affect the expense recognised during the period.

These assumptions include the future volatility of the Company's share price, future dividend yield and the rate that which awards will lapse or be forfeited. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. The fair value attributed to the awards, and hence the charge made in the income statement, could be materiality affected should different assumptions be made to those applied by the Group. Details of these assumptions are set out in note 19. The Group uses a professional valuer in the determination of the fair value of options at grant date.

3 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Wholesale and Franchise sales	43,907,794	42,698,267
Agency commission	654,407	6,003,683
	44,562,201	48,701,950

3 Revenue (Continued)

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	16,326,575	23,272,195
Rest of the world	28,235,626	25,429,755
	44,562,201	48,701,950

4 Operating (loss)/profit

	2025	2024
Operating (loss)/profit for the year is stated after charging/(crediting):	£	£
Exchange losses	388,278	70,159
Fees payable to the company's auditor for the audit of the company's financial statements	40,000	37,850
Depreciation of property, plant and equipment	32,745	14,510
Amortisation of intangible assets (included within administrative expenses)	36,313	-
Cost of inventories recognised as an expense	32,020,870	27,704,245
Share-based payments	6,244	3,628

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management	3	4
Finance/HR/Administration/Compliance	6	7
Marketing & sales	14	32
Designers	50	70
Trading	24	28
Total	97	141

5 Employees (Continued)

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	6,431,215	5,320,470
Social security costs	678,874	631,510
Pension costs	210,998	244,995
	7,321,087	6,196,975

6 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	193,396	38,431
Company pension contributions to defined contribution schemes	47,875	23,212
	241,271	61,643

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2.

7 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	400,432	461,797

8 Taxation

	2025	2024
	£	£
Current tax		
UK corporation tax on profits for the current period	(406,564)	677,035
Adjustments in respect of prior periods	(7,914)	-
Total UK current tax	(414,478)	677,035

8 Taxation **(Continued)**

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2025 £	2024 £
(Loss)/profit before taxation	(1,659,091)	2,708,138
Expected tax (credit)/charge based on a corporation tax rate of 25.00% (2024: 25.00%)	(414,773)	677,035
Effect of expenses not deductible in determining taxable profit	8,209	-
Adjustment in respect of prior years	(7,914)	-
Taxation (credit)/charge for the year	(414,478)	677,035

9 Dividends

Amounts recognised as distributions:	2025 per share £	2024 per share £	2025 Total £	2024 Total £
Ordinary shares				
Interim dividend paid	-	537,643.33	-	1,612,903
Interim dividend paid	-	94,118.33	-	282,355
Total dividends				
Interim dividends paid			-	1,895,258

10 Intangible fixed assets

	Softwares £
Cost	
At 31 March 2024	74,100
Additions - purchased	146,089
At 31 March 2025	220,189

10 Intangible fixed assets (Continued)

	Softwares
	£
Amortisation and impairment	
Charge for the year	36,313
At 31 March 2025	36,313
Carrying amount	
At 31 March 2025	183,876
At 31 March 2024	74,100

11 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2024	6,194	88,095	94,289
Additions	-	10,952	10,952
At 31 March 2025	6,194	99,047	105,241
Accumulated depreciation and impairment			
At 1 April 2024	310	14,200	14,510
Charge for the year	619	32,126	32,745
At 31 March 2025	929	46,326	47,255
Carrying amount			
At 31 March 2025	5,265	52,721	57,986
At 31 March 2024	5,884	73,895	79,779

12 Inventories

	2025	2024
	£	£
Finished goods	10,701,241	4,402,395

13 Trade and other receivables

	2025	2024
	£	£
Trade receivables	15,326,722	17,860,931
Provision for bad and doubtful debts	(207,907)	(750,161)
	15,118,815	17,110,770
Corporation tax recoverable	406,564	-
Amount owed by parent undertaking	-	12,650,819
Other receivables	1,560,561	303,295
Prepayments and accrued income	118,426	68,958
	17,204,366	30,133,842

14 Liabilities

	Notes	2025	2024
		£	£
Borrowings	15	-	9,383,760
Trade and other payables	16	15,413,846	10,643,699
Corporation tax		-	677,035
Other taxation and social security		540,434	451,975
		15,954,280	21,156,469

15 Borrowings

	2025	2024
	£	£
Borrowings held at amortised cost:		
Bank overdrafts	-	9,383,760

16 Trade and other payables

	2025	2024
	£	£
Trade payables	4,897,991	3,343,755
Amount owed to parent undertaking	291,948	-
Amounts owed to fellow group undertakings	3,632,271	438,829
Accruals and deferred income	2,175,929	1,503,554
Other payables	4,415,707	5,357,561
	15,413,846	10,643,699

17 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	210,998	244,995

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share-based payments

The options outstanding at 31 March 2025 had an exercise price in the range of INR 133 to INR 174.91 (2024: INR 137.26 to INR 219) and a weighted average contractual life of 0.6 years (2024: 1.6 years).

There were no options exercised in 2025 or 2024.

Expenses		
Related to equity settled share based payments	6,244	3,628

18 Share-based payments (Continued)

Share options were granted to the employees of the company on 22/10/2021. There are performance conditions attached to these options. Options granted under this plan vest as follows;

a. 25% of the options vest at the end of 1st year from the date of Grant,
b. 25% of the options vest at the end of 2nd year from the date of Grant,
c. 25% of the options vest at the end of 3rd year from the date of Grant,
d. 25% of the options vest at the end of 4th year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling the conditions as set out in the grant letter.

Options were valued used the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculations are as follows;

Grant date	22/10/2021
Share price at grant date	INR 273.80
Exercise price	INR 219.00
Number of employees	3
Shares under option	185,000
Vesting period (years)	4
Option life (years)	4
Expected life (years)	4
Fair value per option:	
Year 1	INR 94.80
Year 2	INR 107.00
Year 3	INR 117.20
Year 4	INR 125.20

The exercise price, and hence the fair value, of the options is denominated in INR and has been translated in the table above at the exchange rate on the date of grant being INR 103.194 = £1.

19 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	3	3	3	3

In the prior year, the company issued 3 Ordinary shares of £1 each at premium of £4,866,666 per share.

20 Share premium account

	2025	2024
	£	£
At the beginning of the year	14,599,998	-
Issue of new shares	-	14,599,998
At the end of the year	14,599,998	14,599,998

21 Share-based payments reserve

	2025	2024
	£	£
At the beginning of the year	3,628	-
Other movements	6,244	3,628
At the end of the year	9,872	3,628

22 Contingent liabilities

The company is party to a Composite Company Limited Multilateral Guarantee dated 13 December 2023 involving New Lobster Limited and Multinational Textile Group Limited (an intermediate parent company), to HSBC.

23 Related party transactions

During the year, the company entered into transactions, in the ordinary course of business, with the following related parties;

	Balance included within (trade creditors)/trade debtors at year end	
	2025	2024
	£	£
PDS Lifesyle Limited	(291,948)	12,650,819
PDS Multinational FZCO	(371,628)	(302,492)
Design Arc Asia Limited	(282,946)	(96,681)
PDS Asia Star Corporatio Limited	(1,248,128)	(39,656)

23 Related party transactions **(Continued)**

Spring Near East FZCO	(133,391)	-
Norwest Industries Limited	(1,156,594)	-
PDS Fashions Limited	(997)	-
360 Notch Limited	(387,710)	-
PDS Far East USA Inc	(50,878)	-

The above companies are all part of the PDS Limited group.

During the year, the company paid consultancy fees of £341,610 (2024: £290,000) to L&S Retail Limited, where Mr S Goodwin is also a director.

24 Controlling party

The immediate parent company is PDS Lifestyle Limited, a company registered in the United Kingdom, and the ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Corporate Office: Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

NEW LOBSTER LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

NEW LOBSTER LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

		Year ended 31 March 2025 £		Period ended 31 March 2024 £
Revenue				
Sales of goods		43,907,793		42,698,265
Agency commission		654,408		6,003,685
		44,562,201		48,701,950
Cost of sales		(33,788,490)		(30,217,152)
Gross profit	24.18%	10,773,711	37.95%	18,484,798
Other operating income				
Sundry income		3,374,115		1,585,167
Distribution costs		(3,590,272)		(5,238,150)
Administrative expenses		(11,816,213)		(11,661,880)
Operating (loss)/profit		(1,258,659)		3,169,935
Finance costs				
Bank interest on loans and overdrafts		(400,432)		(461,797)
(Loss)/profit before taxation	3.72%	(1,659,091)	5.56%	2,708,138

NEW LOBSTER LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Cost of sales		
Opening stock of finished goods	4,402,395	-
Purchases and other direct costs		
Finished goods purchases	38,319,716	32,106,640
License fees	1,767,620	2,512,907
Total purchases and other direct costs	40,087,336	34,619,547
Total cost of sales	33,788,490	30,217,152
Distribution costs		
Warehouse	2,565,865	3,287,946
Transport	1,024,407	1,950,204
	3,590,272	5,238,150

NEW LOBSTER LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		
Wages and salaries	6,231,575	5,278,411
Social security costs	661,927	627,462
Staff recruitment costs	197,106	246,635
Staff welfare	-	266
Staff training	23,936	10,010
Staff pension costs defined contribution	163,123	221,783
Equity settled share based payment costs	6,244	3,628
Directors' remuneration	193,396	38,431
Directors' social security costs	16,947	4,048
Directors' pension costs - defined contribution scheme	47,875	23,212
Commissions payable	-	218,000
Rent re operating leases	46,800	-
Samples	1,525	255
Computer running costs	690,166	213,851
Travelling expenses	97,124	219,563
Postage, courier and delivery charges	1,433	621
Professional subscriptions	61,297	1,476
Legal and professional fees	821,146	545,674
Non audit remuneration paid to auditors	-	2,150
Audit fees	40,000	37,850
Bank charges	27,634	86,102
Bad and doubtful debts	(542,254)	-
Insurances (not premises)	107,357	70,433
Printing and stationery	8	181
Advertising	831,948	1,460,213
Telecommunications	41	103
Other office supplies	273,687	1,288,358
Entertaining	48	8,344
Sundry expenses	409,945	117,362
Corporate charges	948,843	357,309
Manpower support cost	-	495,480
Amortisation	36,313	-
Depreciation	32,745	14,510
Profit or loss on foreign exchange	388,278	70,159
	11,816,213	11,661,880

Financial Statements and Independent Auditor's Report

Nexstyle Apparel Manufacturing Limited

31 March 2025

Contents

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru 560093

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Report

To the Members of Nexstyle Apparel Manufacturing Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Nexstyle Apparel Manufacturing Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the period 12 February 2025 to 31 March 2025, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss (including other comprehensive income), its cash flows and the changes in equity for the period 12 February 2025 to 31 March 2025.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   The Director report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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 Standards on Auditing 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.

8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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; and

   - 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.

9. 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.

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

10. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the period. Accordingly, reporting under section 197(16) of the Act is not applicable.

11. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) Except for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 12(b) above on reporting under section 143(3)(b) of the Act and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2025;

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31 March 2025;

Walker Chandiok & Co LLP Bengaluru

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 21(h) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 21(h) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the period ended 31 March 2025.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 12 February 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all relevant transactions recorded in the software, except that, audit trail feature was not enabled at the database level for such accounting software to log any direct data changes, as described in Note 22 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, where such feature is enabled. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention where the audit trail feature was enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS
BENGALURU

Lokesh Khemka

Lokesh Khemka
Partner
Membership No.: 067878
UDIN: 25067878BMOOYG2284

Place: Bengaluru
Date: 18 June 2025

Annexure I referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of Nexstyle Apparel Manufacturing Limited on the financial statements for the period 12 February 2025 to 31 March 2025

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) The Company does not have any property, plant and equipment, intangible assets, right-of-use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(ii)(a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the period. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the period. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the period. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Nexstyle Apparel Manufacturing Limited on the financial statements for the period 12 February 2025 to 31 March 2025

(b) During the period, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the period.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses amounting to Rs. 48.43 lakhs during the period 12 February 2025 to 31 March 2025.

(xviii) There has been no resignation of the statutory auditors during the period. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Nexstyle Apparel Manufacturing Limited on the financial statements for the period 12 February 2025 to 31 March 2025

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Lokesh Khemka

Lokesh Khemka
Partner
Membership No.: 067878
UDIN : 25067878BMOOYG2284

Place: Bengaluru
Date: 18 June 2025

Walker Chandiok & Co LLP

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Nexstyle Apparel Manufacturing Limited ('the Company') as at and for the period 12 February 2025 to 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Annexure II to the Independent Auditor's Report of even date to the members of Nexstyle Apparel Manufacturing Limited on the financial statements for the period ended 31 March 2025

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Lokesh Khemka

Lokesh Khemka
Partner
Membership No.: 067878
UDIN: 25067878BMOOYG2284

Place: Bengaluru
Date: 18 June 2025

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Balance Sheet as at March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2025
Assets		
I. Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	4	4,435.00
(ii) Other financial assets	5	1.00
Total current assets		**4,436.00**
Total assets		**4,436.00**
II. Equity and liabilities		
Equity		
(a) Equity share capital	6	4,435.00
(b) Other equity	7	(48.43)
Total equity		**4,386.57**
Current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	8	49.43
Total current liabilities		**49.43**
Total equity and liabilities		**4,436.00**
Summary of material acounting policy information and explanatory information	3	

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Lokesh Khemka

Lokesh khemka
Partner
Membership No. 067878

WALKER CHANDIOK & CO LLP
BENGALURU
CHARTERED ACCOUNTANTS

Bengaluru
June 18, 2025

For and on behalf of Board of Directors of
Nexstyle Apparel Manufacturing Limited

Sanjay Jain
Director
DIN : 02055254

Nexstyle Apparel Manufacturing Limited

Abhishekh Kanoi
Director
DIN : 03129842

Gauri Jayaram Rane
Company Secretary
Membership No. 55214

Mumbai
June 18, 2025

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Statement of Profit and Loss for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

	Particulars	Note no.	From February 12, 2025 to March 31, 2025
I	Other income	9	1.00
II	**Total income**		**1.00**
III	**Expenses**		
	(a) Other expenses	10	49.43
	Total expenses		**49.43**
IV	**Loss before tax (II-III)**		**(48.43)**
V	**Tax expense**	12	
	(a) Current tax		-
	(b) Deferred tax		-
	Total tax expense		-
VI	**Loss for the period (IV-V)**		**(48.43)**
VII	**Other comprehensive income**		
(A)	(i) Items that will not be reclassified to profit or loss		-
(B)	(i) Items that will be reclassified to profit or loss		-
	Other comprehensive income for the period, net of tax		-
VIII	**Total comprehensive loss for the period (VI + VII)**		**(48.43)**
X	**Earnings per share: (face value of ₹ 10 per share)**	11	
	1) Basic (amount in ₹)		(1.03)
	2) Diluted (amount in ₹)		(1.03)
	Summary of material acounting policy information and explanatory information	3	

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Lokesh Khemka

Lokesh khemka
Partner
Membership No. 067878

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Bengaluru
June 18, 2025

For and on behalf of Board of Directors of
Nexstyle Apparel Manufacturing Limited

Sanjay Jain
Director
DIN : 02055254

Nexstyle Apparel Manufacturing Limited

Abhishekh Kanoi
Director
DIN : 03129842

Gauri

Gauri Javaram Rane
Company Secretary
Membership No. 55214

Mumbai
June 18, 2025

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Statement of changes in equity for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Number of shares*	Amount
Equity shares issued during the period	4,43,50,000	4,435.00
Balance as at March 31, 2025	4,43,50,000	4,435

* The number of shares are given in absolute numbers.

B. Other equity

Particulars	Retained earnings	Total
Loss for the period	(48.43)	(48.43)
Balance as at March 31, 2025	**(48.43)**	**(48.43)**

Summary of material acounting policy information and explanatory information 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Lokesh Khemka

Lokesh khemka
Partner
Membership No. 067878

Walker Chandiok & Co LLP Bengaluru Chartered Accountants

Bengaluru
June 18, 2025

For and on behalf of Board of Directors of
Nexstyle Apparel Manufacturing Limited

Sanjay Jain
Director
DIN : 02055254

Nexstyle Apparel Manufacturing Limited

Abhishekh Kanoi
Director
DIN : 03129842

Gauri Jayaram Rane
Company Secretary
Membership No. 55214

Mumbai
June 18, 2025

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Statement of Cash Flow for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Particulars		Note No.	From February 12, 2025 to March 31, 2025
Cash flows from operating activities			
Loss before tax			(48.43)
Adjustments for:			
Interest income		9	(1.00)
Operating loss before change in working capital			**(49.43)**
Movement in working capital:			
Change in other financial liabilities			49.43
Cash flow operations			-
Direct tax paid (net of refund received)			-
Net cash flow in operating activities	**(A)**		-
Cash flows from financing activities			
Proceed from issue of equity share capital			4,435.00
Net cash inflow from financing activities	**(B)**		**4,435.00**
Net increase in cash and cash equivalents (A+B)			**4,435.00**
Cash and cash aquivalents at the beginning of the year			-
Cash and cash equivalent at the end of the year			**4,435.00**
Components of cash and cash equivalents			
Balances with bank - on current account and deposits with bank		4	4,435.00
Cash and cash equivalent at the end of the year			**4,435.00**
Summary of material acounting policy information and explanatory information		3	

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Lokesh Khemka

Lokesh khemka
Partner
Membership No. 067878

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Bengaluru
June 18, 2025

For and on behalf of Board of Directors of
Nexstyle Apparel Manufacturing Limited

Nexstyle Apparel Manufacturing Limited

Sanjay Jain
Director
DIN : 02055254

Abhishekh Kanoi
Director
DIN : 03129842

Gauri Jayaram Rane
Company Secretary
Membership No. 55214

Mumbai
June 18, 2025

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Notes to the financial statements for the period ended March 31, 2025

Note 1: Corporate information

Nexstyle Apparel Manufacturing Limited is a Private Limited Company (hereinafter referred as 'the Company') domiciled in India was incorporated on February 12, 2025 and has its registered office at Unit No. 971, Solitaire, Corporate Park Andheri E, Chakala MIDC, Mumbai, Mumbai, Maharashtra, India, 400093. The Company is engaged in trading of ready to wear apparels, providing services to group companies engaged in the export of ready to wear apparels and sourcing & distribution of their products.
The financial statements of the Company for the period February 12, 2025 to March 31, 2025 were approved by the Board of Directors and authorized for issue on June 18, 2025.

Note 2: Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable
The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. The financial statements ar presented in ₹ and all values are rounded to the nearest Lakhs except where otherwise stated.

Going concern

The Board of Directors have considered the financial position of the Company at March 31, 2025 and the projected cash flows and financial performance of the Company for at least twelve months from the date of financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.
The Board of Directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations

Recent accounting pronouncement

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31 2025, MCA has notified the following:
1)Ammendments to Ind AS 116 -Lease liability in a sale and leaseback transaction and
2)Introduction of Ind AS 117- A comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the Company's Financial Statements

During the year ended March 31, 2025, MCA has notified following new standards or amendments to the existing standards applicable to the Company:

Amendments to Ind AS 21- "The Effects of Changes in Foreign Exchange Rates"
The ammendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also requires the disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity

Note 3: Material accounting policy information

a) Material accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

NexStyle Apparel Manufacturing Limited

Note 3: Material accounting policy information (Cont'd)

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle.

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) 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.

Liabilities:

A liability is current when:

i) It is expected to be settled in normal operating cycle

ii) It is held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Any Other Income is recognized on an accrual basis.

d) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

(a) Financial assets

(i) Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognised at fair value. In case of financial assets which are recognised at fair value through profit or loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

•Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

•Financial asset at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

•Financial asset at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

• Equity investment

Investments representing equity interest in associates/ subsidiary are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

NexStyle Apparel Manufacturing Limited

Note 3: Material accounting policy information (Cont'd)

d) Financial instruments (Cont'd)

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit or loss (FVTPL)

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 de-recognition 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 and loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

e) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks ofdefault occurring as the weights. Credit loss is the difference between all contractual cashflows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

f) Impairment of non-financial assets

Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

Nexstyle Apparel Manufacturing Limited

Note 3: Material accounting policy information (Cont'd)

g) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

h) Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

ii) For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Nexstyle Apparel Manufacturing Limited *

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Notes to the financial statements for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 4 : Cash and cash equivalents	As at March 31, 2025
Balances with banks:	
- Current account	335.00
- Deposits with original maturity of 3 months or less	4,100.00
Total	**4,435.00**

Note 5 : Other financial assets	
Interest accrued but not due on fixed deposits	1.00
Total	**1.00**

Note 6 : Share capital	As at March 31, 2025
Authorised	
50,000,000 equity shares of ₹ 10 each*	5,000.00
	5,000.00
Issued, subscribed and paid up	
44,350,000 equity shares of ₹ 10 each*	4,435.00
Total	**4,435.00**

a) Reconciliation of issued and subscribed share capital:

	No. of shares*	Amount
Issued during the period	4,43,50,000	4,435.00
Balance as at March 31, 2025	**4,43,50,000**	**4,435.00**

b) Terms/ rights attached to equity shares:

1. The Company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2025	
	No. of shares*	Holding %
PDS Limited	4,43,49,940	100.00%

d) Details of equity shares held by holding Company

Particulars		-
	No. of shares*	Holding %
PDS Limited	4,43,49,940	100.00%

e) Details of shareholders of Promoters:

Particulars	As at March 31, 2025		
	No. of shares*	% of total shares	% change during the year
PDS Limited	4,43,49,940	100.00%	44277%
Reenah Simon Joseph	10	0.00%	0%
Sadik Ismail Sunasara	10	0.00%	0%
Venkatraman Parameswaran	10	0.00%	0%
Tejas Sumant Sakhardande	10	0.00%	0%
Tushti Sharma	10	0.00%	0%
Ashok Kumar verma	10	0.00%	0%

WALKER CHANDIOK & CO LLP BENGALURU CHARTERED ACCOUNTANTS

NexStyle Apparel Manufacturing Limited

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 6 : Share capital (Cont'd)

f) Details of shareholders of Promoters (Cont'd):

Particulars	As at February 12, 2025		
	No. of shares*	% of total shares	% change during the year
PDS Limited	99,940	99.94%	-
Reenah Simon Joseph	10	0.01%	-
Sadik Ismail Sunasara	10	0.01%	-
Venkatraman Parameswaran	10	0.01%	-
Tejas Sumant Sakhardande	10	0.01%	-
Tushti Sharma	10	0.01%	-
Ashok Kumar verma	10	0.01%	-

* The Number of shares are given in absolute numbers.

Note 7 : Other equity	As at March 31, 2025
Retained earnings (refer note (i) below)	(48.43)
Balance as at the end of the period	**(48.43)**

Note : For details, refer 'the Statement of changes in equity'

(i) Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserve, if any, dividend and other distributions made to the shareholders.

Note 8 : Other financial liabilities	As at March 31, 2025
Due to related party (refer note 13)	48.43
Other's	1.00
Total	**49.43**

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Limited * NexStyle Apparel Manufacturing

[This space has been left blank intentionally]

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Notes to the financial statements for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 9 : Other income	From February 12, 2025 to March 31, 2025
Interest income	
- on fixed deposits carried at amortised cost	1.00
Total	**1.00**

Note 10 : Other expenses	
- Statutory audit fee	1.00
Rates and taxes	48.43
Total	**49.43**

Note 11 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year whereas diluted earnings per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

Particulars	From February 12, 2025 to March 31, 2025
Loss attributable to the equity holders	(48.43)
Weighted average number of equity shares for basic and diluted EPS*	47,09,375
Basic and diluted earnings per share(in ₹) (face value ₹ 10 per share)	**(1.03)**

* The Number of shares are given in absolute numbers.

Note 12 : Income Tax
Income tax expense in the Statement of Profit and Loss

Statement of profit and loss	From February 12, 2025 to March 31, 2025
Tax expense:	
a) Current tax	-
c) Deferred tax credit	-
Income tax expense reported in the Statement of Profit and Loss	-

Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for March 31, 2025.

Particulars	From February 12, 2025 to March 31, 2025
Accounting loss before tax	**(48.43)**
At Company's statutory income tax rate of 25.168%	(12.19)
Business losses where no deferred tax has been recognised	12.19
At the effective income tax rate	-

No Income tax recognized in other comprehensive income.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Limited * NexStyle Apparel Manufacturing

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Notes to the financial statements for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 13 : Related party transaction

a) List of related parties

Name of related party	Nature of relationship
PDS Limited	Holding Company
Abhishekh Kanoi Sanjay Jain Nishant Parikh Ravindra	Key Managerial Personnel

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	Period ended March 31, 2025
PDS Limited	Holding Company	Reimursment of expenses	48.43

c) Year end payable balances of related parties

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2025
PDS Limited	Holding Company	Due to related party	48.43

Terms and conditions of transaction and outstanding balances with related party: All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Nexstyle Apparel Manufacturing Limited

[This page has been left blank intentionally]

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 14: Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital structure using gearing ratio, which is calculated as under:

Particulars	**As at March 31, 2025**
Less: Cash and cash equivalents (refer note 4)	(4,435.00)
Adjusted net debt (A)	**(4,435.00)**
Equity share capital (refer note 6)	4,435.00
Other equity (refer note 7)	(48.43)
Total capital (B)	**4,386.57**
Capital and net debt (A+B)	**(48.43)**

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity shareholders of the Company.

[This page has been left blank intentionally]

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 15 : Fair value disclosure

The fair value of cash and bank balances, other financial assets and other financial liabilities are considered to be equal to the carrying amount of these items due to their short term nature.

a) The carrying amounts of financial assets by categories is as follows:

	As at March 31, 2025
Financial assets measured at amortised cost	
Cash and cash equivalents	4,435.00
Other financial assets	1.00
Total	**4,436.00**

b) The carrying amounts of financial liabilities by categories is as follows:

Financial liabilities measured at amortised cost	
Other financial liabilities	49.43
	49.43

Note 16 : Fair value Hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The Company does not have any financial instruments measured at fair value.

Note 17 : Financial risk management objectives and policies

The Company's principal financial liabilities comprise dues to related party and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's principal financial assets includes cash and cash equivalents and interest accrued but not due on fixed deposits.The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior level personnel oversees the management of these risks.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not have have borrowings and hence no interest risk exists. The Company has not entered into any transactions which is dominated in foreign currency and hence no foreign currency risk exists.

B. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2025	Less than 12 months	1 to 5 years	> 5 years	Total
Due to related party	48.43	-	-	48.43
Other payable	1.00	-	-	1.00
Total	49.43	-	-	49.43

C. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Company. The Company continuously monitors defaults of customers and other counterparties and incorporate this information into its credit risk control. The Company also uses expected credit loss model to assess the impairment loss in trade receivables and makes an allowance of doubtful trade receivables using this model.

For cash and cash equivalents and interest accrued on fixed deposits- Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents and interest accrued on fixed deposits as evaluated as low.

The Company does not have financial assets other than cash and cash equivalents and interest accured on fixed assets and hence no credit risk exists.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

Nexstyle Apparel Manufacturing Limited

(All amounts in ₹ in lakhs, unless otherwise stated)

Note 18 : Commitments and Contingencies
There is no contingent liability and capital commitments as at March 31, 2025

Note 19 : Subsequent Events
The Company has acquired 55% of equity interest in M/s Knit Gallery India Private Limited on May 13, 2025. The purpose of the acquisition is to expand the manufacturing footprint of the Group in India and to accelerate the sourcing capabilities within India. The consideration is ₹ 4,038.00 towards equity shares, out of which the Company has paid ₹ 2,423.00 as on this date.

Note 20 : Ratio analysis

Ratio	Numerator	Denominator	As at March 31, 2025
Current ratio (in times)	Total current assets	Total current liabilities	89.74
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average Shareholder's equity	-2.21%
Return on capital employed (in %)	Earning before interest and Taxes	Capital employeed	-1.13%
Return on Investment (in %)	Return on investment	Investment made	6.00%

Debt – Equity Ratio, Debt Service Coverage Ratio, Inventory Turnover Ratio, Trade receivables turnover ratio, Trade payables turnover ratio, Net capital turnover ratio, Net profit ratio are not applicable.

Note 21 : Other statutory information
(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(b) The Company does not have any transactions with companies struck off.
(c) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
(d) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
(e) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
(f) The Company does not have such transactio which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assesments under the Income Tax Act, 1961 (such as, survey or any other relevant provisions of the Income Tax Act, 1961.

(g) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
(h) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

WALKER CHANDIOK & CO LLP * BENGALURU * CHARTERED ACCOUNTANTS

[This space has been left blank intentionally]

Nexstyle Apparel Manufacturing Limited

Nexstyle Apparel Manufacturing Limited
CIN : U47711MH2025PLC439875
Notes to the financial statements for the period ended March 31, 2025

Note 22 : Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account. During the year ended March 31, 2025, the Company had not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes as it would impact database performance significantly. Audit trail (edit log) is enabled at the application level as part of standard framework and the Company's users have access to perform transactions only from the application level.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention where such feature was

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Lokesh Khemka

Lokesh khemka
Partner
Membership No. 067878

Bengaluru
June 18, 2025

For and on behalf of Board of Directors of
Nexstyle Apparel Manufacturing Limited

Sanjay Jain
Director
DIN 06577212

Abhishekh Kanoi
Director
DIN : 03129842

Gauri Jayaram Rane
Company Secretary
Membership No. 55214

Mumbai
June 18, 2025

Report of the Directors and Audited Financial Statements

NORWEST INDUSTRIES LIMITED

31 March 2025

CERTIFIED TRUE COPY

Ernst & Young

ERNST & YOUNG

EY 安永

Building a better working world

NORWEST INDUSTRIES LIMITED

CONTENTS

NORWEST INDUSTRIES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of Norwest Industries Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2025.

Principal activities
The principal activity of the Company has not changed during the year and was the trading of garments. Details of the principal activities of the Company's subsidiaries are set out in note 1 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Results and dividends
The Group's profit for the year ended 31 March 2025 and the Group's financial position at that date are set out in the financial statements on pages 6 to 94.

An interim dividend of US$2 per ordinary share was paid on 24 February 2025. The directors do not recommend the payment of a final dividend in respect of the year.

Directors
The directors of the Company during the year were:

Deepak Kumar Seth
Krishna Kanodia
Yael Gairola
Srinivas Bangalore Gangaiah

The persons who were directors of the subsidiaries of the Company during the year (not including those directors listed above) were:

Abhishekh Kanoi
Albert Farre Moll
Alexandra Louise Pickles
Alex Feng
Amit Bajrang Agrawal
Anuj Banaik
Ashok Kumar Chhabra
Ashok Kumar Sanghi
Bhavesh Dinesh Shah
Charles Edward Guy Rudge
Eric Kahlil Leddel
Gaurav Pandey
Iftekhar Ullah Khan
Imran Peter Rath
Jacek Ostrowski
Jean Yu
Jolly Abhiroop
Kipik Safak
Luo Jiehua
Mahesh Seth
Mohandas Thekkeyil
Pallak Seth
Raamann Ahuja
Rakesh Chadha

Directors (continued)
The persons who were directors of the subsidiaries of the Company during the year (not including those directors listed above) were: (continued)

Rajnish Kapoor	
R M Appuhamillage Chandana Asanka Ranatunga	
Sandeep Ramesh Chablani	
Suresh Mahadev Punjabi	
Vinal Patel	
Mohammad Abul Hasnat Khan	
Muhammad Shahed Mahmud	
Rahul Khettry	
Roland Tamas Seregi	
Sandra Campos	
Sadikbhai Ismailbhai Sunasara	(appointed on 25 April 2024)
Sagar Ballari	(appointed on 27 August 2024)

In accordance with the Company's articles of association, all directors will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

Directors' interests
At no time during the year was the Company or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangement to enable the Company's directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interests in transactions, arrangements or contracts
No director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of the Company's subsidiaries, holding companies or fellow subsidiaries was a party during the year.

Auditors
Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

....
Krishna Kanodia
Director

Hong Kong
15 May 2025

EY 安永

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

Independent auditor's report
To the member of Norwest Industries Limited
(Incorporated in Hong Kong with limited liability)

Opinion
We have audited the consolidated financial statements of Norwest Industries Limited (the "Company") and its subsidiaries (the "Group") set out on pages 6 to 94, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion
We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon
The directors are responsible for the other information. The other information comprises the information included in the report of the directors.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements
The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

Independent auditor's report (continued)
To the member of Norwest Industries Limited
(Incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements
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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement 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 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

EY安永

Independent auditor's report (continued)
To the member of Norwest Industries Limited
(Incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)
We communicate with the board of directors 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 Legal and Regulatory Requirements
The engagement partner on the audit resulting in this independent auditor's report is Kong Choi Yi (practicing certificate number: P07873)

Ernst & Young
Certified Public Accountants
Hong Kong
15 May 2025

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2025

	Notes	2025 HK$	2024 HK$
REVENUE	4	3,172,390,521	3,106,067,713
Cost of sales		(2,760,997,503)	(2,703,645,498)
Gross profit		411,393,018	402,422,215
Other income and gains	4	200,137,940	176,075,635
Selling and distribution expenses		(107,981,500)	(111,330,062)
Administrative expenses		(366,540,604)	(371,350,459)
Other operating expenses		(13,806,690)	(22,800,787)
Finance costs	6	(21,814,229)	(26,620,463)
Share of profits and losses of associates		(2,164,767)	4,368,890
PROFIT BEFORE TAX	5	99,223,168	50,764,969
Income tax expenses	8	(3,446,608)	(1,960,543)
PROFIT FOR THE YEAR		95,776,560	48,804,426
Attributable to:			
Owners of the parent		74,273,133	50,426,175
Non-controlling interests		21,503,427	(1,621,749)
		95,776,560	48,804,426

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Year ended 31 March 2025

	Notes	2025 HK$	2024 HK$
PROFIT FOR THE YEAR		95,776,560	48,804,426
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent period:			
Cash flow hedges:			
Effective portion of changes in fair value of hedging instruments arising during the year	24	(908,278)	(19,576)
Reclassification adjustments for losses included in the consolidated statement of profit or loss	24	(1,813,335)	(1,261,189)
		(2,721,613)	(1,280,765)
Exchange differences on translation of foreign operations		(588,350)	116,007
Exchange differences reclassified to profit or loss upon disposal of a foreign subsidiary		146,407	-
Share of other comprehensive income of an associate		(44,423)	521,727
Net other comprehensive loss that may be reclassified to profit or loss in subsequence periods, net of tax		(3,207,979)	(643,031)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent period:			
Remeasurement gain/(loss) on defined benefit obligations	26	(4,557,542)	1,347,000
Changes in fair value of financial assets at fair value through other comprehensive income		(4,108,971)	-
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax		(8,666,513)	1,347,000
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX		(11,874,492)	703,969
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		83,902,068	49,508,395
Attributable to:			
Owners of the parent		62,723,206	51,070,469
Non-controlling interests		21,178,862	(1,562,074)
		83,902,068	49,508,395

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2025

	Notes	2025 HK$	2024 HK$
NON-CURRENT ASSETS			
Property, plant and equipment	10	28,014,976	34,291,229
Investment properties	11	23,429,066	24,162,537
Right-of-use assets	12(a)	19,826,236	25,989,480
Financial assets at fair value through profit or loss	13	30,391,118	29,409,260
Financial assets at fair value through other comprehensive income	14	2,024,823	6,133,794
Investment in an associate	15	5,943,497	8,152,687
Goodwill	16	11,791,640	18,399,459
Intangible assets	17	549,584	621,504
Deposits	20	4,255,487	3,630,344
Deferred tax assets	25	836,247	170,130
Total non-current assets		127,062,674	150,960,424
CURRENT ASSETS			
Inventories	18	156,096,081	109,273,099
Trade receivables	19	417,552,455	374,343,754
Prepayments, deposits and other receivables	20	107,612,369	76,891,715
Financial assets at fair value through profit or loss	13	34,497,542	12,819,901
Financial assets at fair value through other comprehensive income	14	-	4,644,335
Due from the ultimate holding company	36(b)	50,021,116	115,471,421
Due from the immediate holding company	36(b)	486,810,005	372,810,751
Due from fellow subsidiaries	36(b)	502,820,543	586,160,831
Due from non-controlling shareholders	36(b)	34,247	34,247
Due from directors	36(b)	-	40,845
Due from a related company	36(b)	5,050,621	4,668,000
Derivative financial instruments	24	479,602	1,387,880
Pledged time deposits	21	148,303,944	130,257,578
Cash and cash equivalents	21	143,679,617	105,311,109
Total current assets		2,052,958,142	1,894,115,466

continued/…

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 March 2025

	Notes	2025 HK$	2024 HK$
CURRENT LIABILITIES			
Trade and bills payables		368,278,161	460,356,889
Other payables and accruals	22	102,547,296	110,412,541
Lease liabilities	12(b)	9,124,096	8,139,326
Interest-bearing bank borrowings	23	243,903,859	279,021,999
Due to fellow subsidiaries	36(b)	677,190,008	418,232,231
Due to an associate	36(b)	1,220,120	2,693,430
Due to directors	36(b)	5,204,368	38,900
Derivative financial instruments	24	4,611,017	2,797,682
Tax payable		6,077,067	3,954,426
Total current liabilities		1,418,155,992	1,285,647,424
NET CURRENT ASSETS		634,802,150	608,468,042
TOTAL ASSETS LESS CURRENT LIABILITIES		761,864,824	759,428,466
NON-CURRENT LIABILITIES			
Other payables	22	16,668,244	9,489,044
Lease liabilities	12(b)	12,087,009	19,418,373
Deferred tax liabilities	25	-	107,181
Total non-current liabilities		28,755,253	29,014,598
Net assets		733,109,571	730,413,868
EQUITY			
Equity attributable to owners of the parent			
Share capital	27	31,120,000	31,120,000
Reserves	29	711,645,750	724,327,438
		742,765,750	755,447,438
Non-controlling interests		(9,656,179)	(25,033,570)
Total equity		733,109,571	730,413,868

....

Deepak Kumar Seth
Director

....

Krishna Kanodia
Director

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2025

		Attributable to owners of the parent									
	Notes	Share capital HK$	Hedging reserve HK$	Capital reserve HK$	Fair value reserve of financial assets at fair value through other comprehensive income HK$	Contribution from the ultimate holding company HK$	Retained profits HK$	Exchange reserve HK$	Total HK$	Non controlling interests HK$	Total equity HK$
At 1 April 2023		31,120,000	(129,037)	(18,349,161)	3,989,600	8,269,394	757,860,277	(3,706,615)	779,054,458	(11,440,019)	767,614,439
Profit for the year		-	-	-	-	-	50,426,175	-	50,426,175	(1,621,749)	48,804,426
Other comprehensive income/(loss) for the year:											
Cash flow hedges, net of tax		-	(1,280,765)	-	-	-	-	-	(1,280,765)	-	(1,280,765)
Exchange differences on translation of foreign operations		-	-	-	-	-	-	79,640	79,640	36,367	116,007
Share of other comprehensive income of an associate		-	-	-	-	-	-	521,727	521,727	-	521,727
Remeasurement of defined benefit plan, net of tax		-	-	-	-	-	1,323,692	-	1,323,692	23,308	1,347,000
Total comprehensive income/(loss) for the year		-	(1,280,765)	-	-	-	51,749,867	601,367	51,070,469	(1,562,074)	49,508,395
Interim 2024 dividend paid	9	-	-	-	-	-	(77,800,000)	-	(77,800,000)	-	(77,800,000)
Dividend paid to non-controlling shareholders		-	-	-	-	-	-	-	-	(11,832,292)	(11,832,292)
Change in non-controlling interests without change in control		-	-	(1,505,892)	-	-	-	-	(1,505,892)	1,544,015	38,123
Contribution from non-controlling interests		-	-	-	-	-	-	-	-	412,476	412,476
Disposal of a subsidiary		-	-	-	-	-	-	-	-	(31,120)	(31,120)
Acquisition of a subsidiary	30	-	-	-	-	-	-	-	-	(2,124,556)	(2,124,556)
Equity-settled share option arrangements	28	-	-	-	-	4,628,403	-	-	4,628,403	-	4,628,403
At 31 March 2024		31,120,000	(1,409,802)*	(19,855,053)*	3,989,600*	12,897,797*	731,810,144*	(3,105,248)*	755,447,438	(25,033,570)	730,413,868

continued/…

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2025

		Attributable to owners of the parent									
	Notes	Share capital HK$	Hedging reserve HK$	Capital reserve HK$	Fair value reserve of financial assets at fair value through other comprehensive income HK$	Contribution from the ultimate holding company HK$	Retained profits HK$	Exchange reserve HK$	Total HK$	Non controlling interests HK$	Total equity HK$
At 1 April 2024		31,120,000	(1,409,802)	(19,855,053)	3,989,600	12,897,797	731,810,144	(3,105,248)	755,447,438	(25,033,570)	730,413,868
Profit for the year		-	-	-	-	-	74,273,133	-	74,273,133	21,503,427	95,776,560
Other comprehensive income/(loss) for the year:											
Change in fair value of equity investments at fair value through other comprehensive income, net of tax		-	-	-	(4,108,971)	-	-	-	(4,108,971)	-	(4,108,971)
Cash flow hedges, net of tax		-	(2,721,613)	-	-	-	-	-	(2,721,613)	-	(2,721,613)
Exchange differences on translation of foreign operations		-	-	-	-	-	-	(341,998)	(341,998)	(246,352)	(588,350)
Exchange differences reclassified to profit or loss upon disposal of a foreign subsidiary	31	-	-	-	-	-	-	172,129	172,129	(25,722)	146,407
Share of other comprehensive loss of an associate		-	-	-	-	-	-	(44,423)	(44,423)	-	(44,423)
Remeasurement of defined benefit plan, net of tax		-	-	-	-	-	(4,505,051)	-	(4,505,051)	(52,491)	(4,557,542)
Total comprehensive income/(loss) for the year		-	(2,721,613)	-	(4,108,971)	-	69,768,082	(214,292)	62,723,206	21,178,862	83,902,068
Interim 2025 dividend paid	9	-	-	-	-	-	(62,240,000)	-	(62,240,000)	-	(62,240,000)
Dividend paid to non-controlling shareholders		-	-	-	-	-	-	-	-	(24,791,101)	(24,791,101)
Deemed disposal of partial interests in a subsidiary											
Change in non-controlling interests without		-	-	(10,659,858)	-	-	-	-	(10,659,858)	10,661,308	1,450
change in control		-	-	(3,819,078)	-	-	-	-	(3,819,078)	5,918,492	2,099,414
Disposal of subsidiaries	31	-	-	(625,675)	-	-	-	-	(625,675)	2,409,830	1,784,155
Equity-settled share option arrangements	28	-	-	-	-	1,939,717	-	-	1,939,717	-	1,939,717
At 31 March 2025		31,120,000	(4,131,415)*	(34,959,664)*	(119,371)*	14,837,514*	739,338,226*	(3,319,540)*	742,765,750	(9,656,179)	733,109,571

* These reserve accounts comprise the consolidated reserves of HK$711,645,750 (2024: HK$724,327,438) in the consolidated statement of financial position.

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2025

	Notes	2025 HK$	2024 HK$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		99,223,168	50,764,969
Adjustments for:			
Finance costs	6	21,814,229	26,620,463
Interest income	4	(5,491,781)	(5,849,706)
Depreciation of property, plant and equipment	5	15,238,748	15,111,432
Depreciation of investment properties	5	733,471	733,471
Depreciation of right-of-use assets	5	9,319,837	10,415,367
Amortisation of intangible assets	5	273,633	65,839
Gain on lease modification	5	(613,625)	-
Gain on termination of leases	5	(175,675)	(112,722)
Write-off of items of property, plant and equipment	5	722,018	305,914
Rent concessions from lessors	5	(31,565)	(11,019)
Gain on disposal of subsidiaries		(1,834,997)	-
Impairment/(reversal of impairment) of trade receivables, net	5	(212,295)	538,338
Write-off of certain amount due from an associate		-	3,905,944
Fair value losses/(gains), net:			
Cash flow hedges (transfer from equity)	5	1,813,335	1,261,189
Financial assets		(59,564)	(4,374,233)
Share of losses/(gains) of an associate		2,164,767	(4,368,890)
Equity-settled share option expenses	5	1,939,717	4,628,403
		144,823,421	99,634,759
Decrease/(increase) in inventories		(59,370,479)	3,125,619
Increase in trade receivables		(43,511,507)	(108,464,686)
Increase in prepayments, deposits and other receivables		(37,961,205)	(950,682)
Change in balance with the ultimate holding company		65,450,305	(94,921,761)
Change in balance with the immediate holding company		(113,999,254)	28,545,615
Decrease/(increase) in amounts due from fellow subsidiaries		83,337,847	(157,794,620)
Decrease in amounts due from non-controlling shareholders		-	40,845
Decrease/(increase) in an amount due from a related company		(382,621)	3,594,434
Decrease in an amount due from an associate		-	6,172,021
Decrease in an amount due from a shareholder		-	196,251
Change in balance with directors		5,206,313	3,505,917
Increase/(decrease) in trade and bills payables		(92,044,083)	87,206,562
Increase/(decrease) in other payables and accruals		20,876,134	(8,219,313)
Increase in amounts due to fellow subsidiaries		260,389,945	128,412,054
Increase/(decrease) in an amount due to an associate		(1,473,310)	2,693,430
Decrease in derivative financial instruments		(1,813,335)	(1,261,189)
Cash generated from/(used in) operations		229,528,171	(8,484,744)

continued/…

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 March 2025

	Notes	2025 HK$	2024 HK$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations		229,528,171	(8,484,744)
Hong Kong profits tax paid/(refunded)		406,799	(2,217,470)
Overseas tax paid		(2,535,100)	(1,557,657)
Interest paid		(19,990,040)	(24,999,242)
Net cash flows from/(used in) operating activities		207,409,830	(37,259,113)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(10,199,745)	(10,649,960)
Acquisition of a subsidiary	30	-	344,928
Disposal of subsidiaries	31	2,656,441	(322,821)
Acquisition of an associate		-	(8,098,980)
Additions to intangible assets		(201,713)	(579,979)
Purchases of financial assets at fair value through profit or loss		(51,363,232)	(24,876,244)
Proceeds from disposal of financial assets at fair value through profit or loss		28,763,297	66,227,435
Proceeds from disposal of financial assets at fair value through other comprehensive income		4,644,335	11,911,880
Interest received		5,491,781	5,849,706
Decrease/(increase) in pledged time deposits		(18,046,366)	33,263,246
Net cash flows from/(used in) investing activities		(38,255,202)	73,069,211
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(62,240,000)	(77,800,000)
Dividend paid to non-controlling shareholders		(24,791,101)	(11,832,292)
Deemed disposal of partial interests in a subsidiary		1,450	-
Change in non-controlling interests without change in control		2,099,414	-
Capital contribution from a non-controlling shareholder		-	450,599
Proceeds from/(repayment of) bank loans, net		(4,669,282)	28,442,381
Principal portion of lease payments	12	(8,173,679)	(9,548,414)
Interest portion of lease payments	12	(1,824,189)	(1,621,221)
Net cash flows used in financing activities		(99,597,387)	(71,908,947)

continued/…

NORWEST INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 March 2025

	Notes	2025 HK$	2024 HK$
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		69,557,241	(36,098,849)
Cash and cash equivalents at beginning of year		67,312,945	102,314,874
Effect of foreign exchange rate changes, net		(673,982)	1,096,920
CASH AND CASH EQUIVALENTS AT END OF YEAR		136,196,204	67,312,945
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statement of financial position	21	143,679,617	105,311,109
Bank overdrafts	23	(7,483,413)	(37,998,164)
Cash and cash equivalents as stated in the consolidated statement of cash flows		136,196,204	67,312,945

1. CORPORATE AND GROUP INFORMATION

Norwest Industries Limited is a limited company incorporated in Hong Kong. The registered office of the Company is located at 7/F., Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

During the year, the Group was principally involved in the trading of garment.

The Company is a subsidiary of Multinational Textile Group Limited, a company incorporated in Mauritius. In the opinion of the directors, the Company's ultimate holding company is PDS Limited, a company incorporated in India with shares listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

<u>Information about subsidiaries</u>
Particulars of the Company's principal subsidiaries as at 31 March 2025 are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2025	2024	Principal activities
<u>Direct subsidiaries</u>					
Grand Pearl Trading Company Limited#	People's Republic of China ("PRC")/ Mainland China	United States dollar ("US$") 150,000	100%	100%	Provision of sourcing services
Design Arc Europe Limited	Hong Kong	US$100,000	70%	70%	Trading of garment products
Northern Apparel Limited (Formely known as PDS Tailoring Limited)	Hong Kong	US$10,000	70%	70%	Trading of garment products
Nor Lanka Manufacturing Limited ("Nor Lanka")	Hong Kong	HK$15,262	90.5%	100%	Trading of garment products
Rising Star Asia Hongkong Co., Limited	Hong Kong	US$10,000	100%	100%	Trading of garment products
Spring Near East Manufacturing Company Limited ("Spring Near East")	Hong Kong	US$200,000	65%	65%	Trading of garment products
360 Notch Limited	Hong Kong	US$100,000	100%	100%	Trading of garment products

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2025	2024	Principal activities
Direct subsidiaries (continued)					
Clover Collections Limited	Hong Kong	US$200,000	100%	100%	Provision of design services
Design Arc Asia Limited	Hong Kong	US$143,092	85%	98%	Provision of sourcing services
Kleider Sourcing Hongkong Limited ("Kleider HK")	Hong Kong	US$10,000	51%	51%	Provision of design, sourcing, and trading of garment products
Krayons Sourcing Limited ("Krayons")	Hong Kong	US$10,000	75%	75%	Trading of garment products
Twins Asia Limited ("Twins Asia")	Hong Kong	US$109,926	85%	98%	Trading of garment products
PDS Far-east Limited	Hong Kong	US$1,000	80%	80%	Trading of garment products
Styleberry Limited	Hong Kong	US$10,000	100%	100%	Trading of garment products
Casa Collective Limited	Hong Kong	US$100,000	75%	75%	Trading of garment products

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company 2025	2024	Principal activities
Direct subsidiaries (continued)					
Sourcing Solutions Limited	Hong Kong	US$10,000	51%	51%	Trading of garment products
PDS Brands Manufacturing Limited	Hong Kong	US$210,000	100%	100%	Trading of garment product
Sourcing Solutions Europe BVBA	Belgium	EUR60,000	51%	51%	Trading of garment Products
Indirect subsidiaries					
Nor Lanka Manufacturing Colombo Company Limited	Sri Lanka	Sri Lankan Rupee ("LKR") 64,427,000	90.5%	100%	Trading of garment products
Nor Europe Manufacturing S.L.	Spain	EUR3,000	70%	70%	Provision of sourcing services
Lillyandsid Ltd	The United Kingdom	GBP100	-	55%	Trading of garment products
Kleider Sourcing Limited	Bangladesh	Bangladeshi Taka ("BDT") 99,900,200	51%	51%	Provision of sourcing services
Smart Notch (Shanghai) Limited#	PRC/ Mainland China	Renminbi ("RMB") 500,000	100%	100%	Provision of sourcing service
SKOPE Apparels FZCO	United Arab Emirates	United Arab Emirates dirham ("AED") 100,000	75%	75%	Trading of garment products

The subsidiary is registered as a wholly-foreign-owned enterprise under the PRC law.

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, financial assets at fair value through profit or loss and through other comprehensive income and defined benefit obligation, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$").

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of its subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the respective dates that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)
The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")

The adoption of the above revised HKFRS Accounting Standards has had no significant financial effect on these financial statements except the followings.

Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback
Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and Amendments to HKAS 1 Non-current Liabilities with Covenants

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied any of the new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual/reporting periods beginning on or after 1 January 2027
[4] No mandatory effective date yet determined but available for adoption

The Group is in the process of making assessment of the impact of the new and revised HKFRS Accounting standards upon initial application but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a significant impact on the Group's financial statements in the period of initial application.

2.4 MATERIAL ACCOUNTING POLICIES

Investments in an associate and a joint venture

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group’s investments in an associate and a joint venture are stated in the consolidated statement of financial position at the Group’s share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group’s share of the post-acquisition results and other comprehensive income of an associate and a joint venture is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate or joint venture are eliminated to the extent of the Group’s investments in the associate or joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associate or joint ventures is included as part of the Group’s investments in an associate or a joint venture.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the acquisition previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)
Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement
The Group measures its derivative financial instruments and financial assets at fair value through profit or loss at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person
- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the year in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	3%
Leasehold improvements	Over the shorter of the lease terms and 33⅓%
Furniture and fixtures	25%
Motor vehicles	33⅓%
Office equipment	33⅓%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs and any directly attributable expenditure, and subsequently at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each investment property, which is the shorter of 50 years and the term of the lease.

Any gain or loss on the retirement or disposal of investment properties recognised in the statement of profit or loss in the year the investment properties are derecognised is the difference between the net sales proceeds and the carrying amount of the investment properties.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill)
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Leases
The Group assesses at contract inception whether a 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.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets
Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets of properties are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities
Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

(b) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business mode.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. Financial assets which are not held within the aforementioned business model are classified and measured at fair value through profit or loss.

Purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follow:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)
Subsequent measurement (continued)
Financial assets designated at fair value through other comprehensive income (equity investments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)
General approach (continued)

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities
Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement - Financial liabilities at amortised cost (trade and other payables, loans and borrowings)

After initial recognition, trade and other payables, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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 a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

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

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)
Initial recognition and subsequent measurement (continued)

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship with which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The effective portion of the gain or loss on the hedging instrument for cash flow hedges is recognised directly in other comprehensive income in the hedging reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

For cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derivative financial instruments and hedge accounting (continued)

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the actual basis and comprises invoiced value of purchases, freight and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the country in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the end of the reporting period are used to determine the deferred tax.

Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Dividends
Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

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

Revenue from the sale of garments is recognised at the point in time when control of the asset is transferred to the customer, generally delivery of the garments.

Other income
Rental income is recognised on a time proportion basis over the lease terms.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Commission income from the provision of marketing services is recognised at the point in time when control of the asset is transferred to the customer, generally upon the completion of the services.

Handling fee is recognised over time when the relevant services has been rendered.

Contract liabilities
A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Share-based payments
The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes option-pricing model, further details of which are given in note 28 to the financial statements.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Other employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's overseas subsidiaries/branches are required to participate in central pension schemes operated by the respective local governments. These subsidiaries/branches are required to contribute certain percentages of its payroll costs to the central pension schemes. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension schemes.

Defined benefit plan

The Group's liability for termination benefit and earned leave for its employees is pursuant to Bangladesh Labour Act and is based on the most recent salary of the employees, number of completed years of service and number of working days.

The cost of providing termination benefit and earned leave is determined based on the valuations performed by an independent actuary. Remeasurements arising from a defined benefit pension plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligations under "administrative expenses" in the consolidated statement of profit or loss by function:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in HK$, which is the Group's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currencies are translated using the exchange rates at the dates when their fair values were measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of overseas subsidiaries are currencies other than HK$. As at the end of the reporting period, the assets and liabilities of these entities are translated into HK$ at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into HK$ at the weighted average exchange rates for the year.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into HK$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiaries which arise throughout the period are translated into HK$ at the weighted average exchange rate for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, 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 below.

Impairment of property, plant and equipment

Items of property, plant and equipment are tested for impairment if there is any indication that the carrying value of these assets may not be recoverable and the assets are subject to an impairment loss. The recoverable amount is the higher of an asset’s fair value less costs to sell and value-in-use. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the relevant cash-generating unit and a suitable discount rate is used in order to calculate the present value.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the financial statements.

Defined benefit plan

The determination of the Group's obligation and cost for defined benefits is performed by independent actuary engaged by the Group and dependent on the selection of certain assumptions used by them in calculating such amounts. Those assumptions include among others, discount rates and future annual salary increases. In accordance with the Group's accounting policy for pension obligations, actual results that differ from the Group's assumptions are recognised immediately in other comprehensive income as and they occur. While the Group believes that the actuary's assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in the Group's assumptions may materially affects its pension and other retirement obligations.

Provision for income taxes

Provision for income tax is made based on the taxable income for the period as determined by the Group. The determination of taxable income involves the exercise of judgement on interpretation of the relevant tax rules and regulations. The amount of income tax and hence profit or loss could be affected by any interpretations and clarifications which the tax authorities may issue from time to time.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)
Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair values are determined using valuation techniques including the use of comparable recent arm's length transactions and other valuation techniques commonly used by other market participants. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements and estimates include considerations of inputs such as revenue multiples and discount rate. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4. REVENUE, OTHER INCOME AND GAINS

(i) Disaggregated revenue information
The Group's entire revenue of goods transferred is recognised at a point in time.

(ii) Performance obligations
Information about the Group's performance obligations is summarised below:

Sale of garment products
The performance obligation is satisfied upon delivery of garment products is generally due with 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

As a practical expedient, the amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are not disclosed in the notes to the financial statements because all the remaining performance obligations in relation to the sale of goods have an original expected duration of one year or less.

4. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of the Group's revenue, other income and gains are as follows:

	2025 HK$	2024 HK$
Revenue from contracts with customers		
Sale of goods	3,172,390,521	3,106,067,713
Other income and gains		
Interest income	5,525,332	5,849,706
Commission income	14,431,906	27,794,143
Service income	29,749,003	21,896,272
Rental income	3,398,261	2,782,892
Foreign exchange gains, net	5,352,091	4,065,154
Fair value gains on financial assets at fair value through profit or loss	59,564	4,374,233
Gain on termination of leases	175,675	112,722
Gain on lease modification	613,625	-
Marketing fee income	102,223,581	71,991,531
Gain on disposal of subsidairies	1,834,997	-
Recovery from suppliers	27,421,554	28,900,430
Others	9,352,351	8,308,552
Total other income and gains	200,137,940	176,075,635

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 HK$	2024 HK$
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sales of goods	36,149,265	21,870,661

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2025 HK$	2024 HK$
Cost of inventories sold		2,760,997,503	2,703,645,498
Auditor's remuneration		1,910,155	2,306,357
Depreciation of property, plant and equipment	10	15,238,748	15,111,432
Depreciation of investment properties	11	733,471	733,471
Depreciation of right-of-use assets	12	9,319,837	10,415,367
Amortisation of intangible assets	17	273,633	65,839
Employee benefit expense (excluding directors' remuneration (note 7)):			
Salaries, bonuses and allowances		227,172,966	165,410,030
Pension costs*		27,313,959	15,336,633
Equity-settled share option expense		826,977	4,628,403
Total		255,313,902	185,375,066
Write-off of items of property, plant and equipment		722,018	305,914
Lease payments not included in the measurement of lease liabilities		3,911,365	3,616,018
Rent concessions from lessors		(31,565)	(11,019)
Gain on termination of leases#		(175,675)	(112,722)
Gain on lease modification#		(613,625)	-
Gain on disposal of subsidiaries#		1,834,997	-
Impairment/(reversal of impairment) of trade receivables, net	19	(212,295)	538,338
Write-off of certain amount due from an associate		-	3,905,944
Fair value losses/(gains), net:			
Cash flow hedges (transfer from equity)#		1,813,335	1,261,189
Financial assets at fair value through profit or loss#		(59,564)	(4,374,233)
Foreign exchange gains, net#		(1,410,427)	(4,065,154)

\# These gains are included in "Other income and gains" and the losses are included in "Other operating expenses", as appropriate, in consolidated statement of profit or loss.

* There are no forfeited contributions that may be used by the Group as the employer to reduce its contributions in future years (2024: Nil).

6. FINANCE COSTS

	2025 HK$	2024 HK$
Interest on bank loans and overdrafts	19,990,040	24,999,242
Interest on lease liabilities	1,824,189	1,621,221
Total	21,814,229	26,620,463

7. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1)(a) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is as follows:

	2025 HK$	2024 HK$
Other emoluments:		
Salaries, allowances and other benefits	855,800	829,830

8. INCOME TAX

Hong Kong profits tax was provided at the rate of 16.5% (2024:16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 HK$	2024 HK$
Current - Hong Kong		
Charge for the year	1,011,870	1,842,035
Under/(over)provision in prior years	103,467	(406,052)
Current - Elsewhere		
Charge for the year	2,356,182	1,833,523
Overprovision in prior years	(750,026)	(1,162,491)
Deferred (note 25)	725,115	(146,472)
Total tax charge for the year	3,446,608	1,960,543

8. INCOME TAX (continued)

A reconciliation of the tax charge at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge at the Group's effective tax rate is as follows:

2025

	Hong Kong HK$	Others HK$	Total HK$
Profit/(loss) before tax	101,012,280	(1,789,112)	99,223,168
Tax at the applicable tax rate	16,667,026	(986,076)	15,680,950
Adjustments in respect of current tax of previous periods	(419,015)	(227,535)	(646,550)
Income not subject to tax	(16,332,604)	(2,604)	(16,335,208)
Tax losses utilised from previous periods	(2,680,836)	-	(2,680,836)
Expenses not deductible for tax	2,674,624	2,478,763	5,153,387
Tax losses not recognised	1,210,478	339,272	1,549,750
Others	-	725,115	725,115
Tax charge at the Group's effective rate	1,119,673	2,326,935	3,446,608

2024

	Hong Kong HK$	Others HK$	Total HK$
Profit/(loss) before tax	51,335,201	(570,237)	50,764,964
Tax at the applicable tax rate	8,470,307	(2,615,691)	5,854,616
Adjustments in respect of current tax of previous periods	(1,568,541)	-	(1,568,541)
Income not subject to tax	(7,379,180)	-	(7,379,180)
Tax losses utilised from previous periods	(532,062)	-	(532,062)
Expenses not deductible for tax	-	1,427,777	1,427,777
Tax losses not recognised	1,024,506	2,499,984	3,524,490
Others	779,915	(146,472)	633,443
Tax charge at the Group's effective rate	794,945	1,165,598	1,960,543

At the end of the reporting period, the Norwest Industries Limited sub-group had unused tax losses of HK$53,243,541 (2024: HK$46,159,370), which are wholly attributable to a Hong Kong subsidiary. These tax losses are available for carry-forward and may be offset against future taxable profits of the respective entity in which they originated. Deferred tax assets have not been recognised in respect of these unused tax losses as it is not considered probable that sufficient taxable profits will be available in the near future for these unused tax losses to be utilised.

9. DIVIDENDS

	2025 HK$	2024 HK$
Interim - US$2 (2024: US$2.5) per ordinary share	62,240,000	77,800,000

The directors do not recommend the payment of a final dividend for the year ended 31 March 2025 (2024: Nil).

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK$	Leasehold improvements HK$	Furniture and fixtures HK$	Motor vehicles HK$	Office equipment HK$	Total HK$
31 March 2025						
At 31 March 2024:						
Cost	10,554,877	13,473,977	18,199,484	2,153,164	69,354,487	113,735,989
Accumulated depreciation	(4,512,407)	(6,638,268)	(12,755,840)	(2,153,031)	(53,385,214)	(79,444,760)
Net carrying amount	6,042,470	6,835,709	5,443,644	133	15,969,273	34,291,229
At 1 April 2024, net of accumulated depreciation	6,042,470	6,835,709	5,443,644	133	15,969,273	34,291,229
Additions	463,330	1,776,182	586,668	574,362	6,799,203	10,199,745
Disposal of a subsidiary (note 30)	-	-	(1,285)	-	(49,419)	(50,704)
Write-off	-	(35,411)	(358,369)	(84)	(328,154)	(722,018)
Depreciation provided during the year	(995,980)	(3,508,041)	(3,146,870)	(79,204)	(7,508,653)	(15,238,748)
Exchange realignment	(481,151)	12,862	3,220	-	541	(464,528)
At 31 March 2025, net of accumulated depreciation	5,028,669	5,081,301	2,527,008	495,207	14,882,791	28,014,976
At 31 March 2025:						
Cost	10,168,617	13,489,531	17,239,974	1,393,392	73,069,259	115,360,773
Accumulated depreciation	(5,139,948)	(8,408,230)	(14,712,966)	(898,185)	(58,186,468)	(87,345,797)
Net carrying amount	5,028,669	5,081,301	2,527,008	495,207	14,882,791	28,014,976
31 March 2024						
At 1 April 2023:						
Cost	10,838,064	10,702,646	16,898,509	2,662,990	66,876,131	107,978,340
Accumulated depreciation	(3,544,218)	(5,099,964)	(10,860,000)	(2,661,023)	(46,910,255)	(69,075,460)
Net carrying amount	7,293,846	5,602,682	6,038,509	1,967	19,965,876	38,902,880
At 1 April 2023, net of accumulated depreciation	7,293,846	5,602,682	6,038,509	1,967	19,965,876	38,902,880
Additions	-	4,249,958	2,252,759	-	4,147,243	10,649,960
Disposal of a subsidiary (note 30)	-	-	-	-	(7,140)	(7,140)
Write-off	-	(186,601)	(21,513)	(51)	(97,749)	(305,914)
Depreciation provided during the year	(1,366,916)	(2,856,728)	(2,834,106)	(1,783)	(8,051,899)	(15,111,432)
Exchange realignment	115,540	26,398	7,995	-	12,942	162,875
At 31 March 2024, net of accumulated depreciation	6,042,470	6,835,709	5,443,644	133	15,969,273	34,291,229
At 31 March 2024:						
Cost	10,554,877	13,473,977	18,199,484	2,153,164	69,354,487	113,735,989
Accumulated depreciation	(4,512,407)	(6,638,268)	(12,755,840)	(2,153,031)	(53,385,214)	(79,444,760)
Net carrying amount	6,042,470	6,835,709	5,443,644	133	15,969,273	34,291,229

11. INVESTMENT PROPERTIES

	HK$
At 1 April 2023:	
Cost	36,673,551
Accumulated depreciation	(11,777,543)
Net carrying amount	24,896,008
At 1 April 2023, net of accumulated depreciation	24,896,008
Depreciation provided during the year	(733,471)
At 31 March 2024, net of accumulated depreciation	24,162,537
At 31 March 2024:	
Cost	36,673,551
Accumulated depreciation	(12,511,014)
Net carrying amount	24,162,537
At 1 April 2024, net of accumulated depreciation	24,162,537
Depreciation provided during the year	(733,471)
At 31 March 2025, net of accumulated depreciation	23,429,066
At 31 March 2025:	
Cost	36,673,551
Accumulated depreciation	(13,244,485)
Net carrying amount	23,429,066

The Group's investment properties consist of two commercial properties in Hong Kong. The directors of the Company have determined that the investment properties consist of two classes of assets, i.e., residential and commercial, based on the nature, characteristics, risks of each property. The investment properties are measured initially at cost less accumulated depreciation and provision for any impairment in value.

11. INVESTMENT PROPERTIES (continued)

The Group's investment properties were revalued on 31 March 2025 based on valuation performed by management at HK$103,000,000 (2024: HK$109,000,000). Each year, the directors of the Group decide which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The investment properties are leased under operating leases, further summary details of which are included in note 12 to the financial statements.

At 31 March 2025 and 31 March 2024, all of the Group's investment properties were pledged to secure the general banking facilities granted to the Group (note 23).

12. LEASES

The Group as a lessee
The Group has lease contracts for office premises which have lease terms between 1 and 5 years. Other property generally has lease term of 12 months. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Properties HK$
As at 1 April 2023	30,829,180
Additions	9,108,081
Lease modification	384,949
Depreciation charge	(10,415,367)
Termination of leases	(2,942,110)
Exchange realignment	(975,253)
As at 31 March 2024 and 1 April 2024	25,989,480
Additions	7,852,904
Lease modification	787,280
Depreciation charge	(9,319,837)
Termination of leases	(2,102,198)
Exchange realignment	(3,381,393)
As at 31 March 2025	19,826,236

12. LEASES (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2025 HK$	2024 HK$
Carrying amount at the beginning of the year	27,557,699	31,690,314
New leases	7,852,904	9,108,081
Lease modification	173,655	384,949
Accretion of interest recognised during the year	1,824,189	1,621,221
Rent concessions from lessors	(31,565)	(11,019)
Payments	(9,997,868)	(11,169,635)
Termination of leases	(2,277,873)	(3,054,832)
Exchange realignment	(3,890,036)	(1,011,380)
Carrying amount at the end of the year	21,211,105	27,557,699
Analysed into:		
Current portion	9,124,096	8,139,326
Non-current portion	12,087,009	19,418,373

The maturity analysis of lease liabilities is disclosed in note 39 to the financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 HK$	2024 HK$
Interest on lease liabilities	1,824,189	1,621,221
Depreciation charge of right-of-use assets	9,319,837	10,415,367
Expense relating to short-term leases and other leases	3,911,365	3,616,018
Gain on termination of leases	(175,675)	(112,722)
Gain on modification of leases	(613,625)	-
Rent concessions from lessors	(31,565)	(11,019)
Total amount recognised in profit or loss	14,234,526	15,528,865

12. LEASES (continued)

The Group as a lessor

As at 31 March 2025, the Group leased its investment properties (note 11) consisting of two commercial properties in Hong Kong under operating lease arrangements. Rental income recognised by the Group during the year ended 31 March 2025 was HK$3,398,261 (2024: HK$2,782,892), details of which are included in note 4 to the financial statements.

At 31 March 2025 and 31 March 2024, there was no undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Notes	2025 HK$	2024 HK$
Listed equity investments, at fair value	(a)	12,629,103	4,561,859
Listed debt investments, at fair value	(b)	21,868,439	8,258,042
Unlisted investments, at fair value	(c)	30,391,118	29,409,260
Total		64,888,660	42,229,161
Less: current portion		(34,497,542)	(12,819,901)
Non-current portion		30,391,118	29,409,260

Notes:

(a) The above listed equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

(b) The above listed debt investments represent investments in bonds which are held for trading. They were designated by the Group as financial assets at fair value through profit or loss and are stated at fair value.

(c) The above unlisted investments were designated, upon initial recognition, as financial assets at fair value through profit or loss as they are managed and their performance are evaluated on a fair value basis, in accordance with a documented risk management and investment strategy, and information about the investments is provided on that basis to the Group's key management personnel.

At 31 March 2025, the Group's unlisted investments with an aggregate carrying value of HK$30,391,118 (2024: HK$29,409,260) were pledged to secure the general banking facilities granted to the Group (note 23).

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 HK$	2024 HK$
Non-current assets		
Unlisted equity investments, at fair value	2,024,823	6,133,794
Current assets		
Factored trade receivables	-	4,644,335

The Group has designated the above investments as financial assets at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

The Group entered into receivable purchase agreements with a financial institution for the factoring of trade receivables with certain designated customers. At 31 March 2024, trade receivables factored to the financial institution aggregating to approximately HK$4,644,335 were not derecognised from the consolidated statement of financial position because the derecognition criteria for financial assets were not met. Accordingly, the advances from the financial institution of approximately HK$4,644,335 received by the Group as consideration at 31 March 2024 were included in "interest-bearing bank borrowings" (note 23). At 31 March 2025, there are no trade receivables factored to the financial institution.

15. INVESTMENT IN AN ASSOCIATE

	2025 HK$	2024 HK$ (restated)
Share of net assets/(liabilities)	(31,307)	2,177,883
Goodwill on acquisition	5,974,804	5,974,804
Total	5,943,497	8,152,687

During the year ended 31 March 2024, Nor Lanka Manufacturing Limited, a subsidiary of the Company, acquired 26% interest in Nobleswear (Private) Limited (the "Nobleswear") for a cash consideration of USD1,040,000 (approximately HK$8,098,980). Upon the completion of the acquisition, Nobleswear became an associate of the Group under HKFRS Accounting Standards and is accounted for using the equity method. The purchase price allocation exercise of the investment in Nobleswear has been made on a provisional basis, pending finalisation of valuation to assess the fair value of identifiable net assets.

During the year ended 31 March 2025, The Group had made certain retrospective adjustments to the financial information for the year ended 31 March 2024 following the completion of the purchase price allocation reviewed. The amount of goodwill was initially recognised on a provisional basis in the consolidated financial statements for the year ended 31 March 2024 at HK$3,668,822 at the date of acquisition. As a result of the completion of the purchase price allocation, adjustments have been made to increase the goodwill from the acquisition by HK$2,305,982 and to decrease the identifiable net assets by HK$2,305,982. No adjustments were made to the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position from the restatement above.

Particulars of the Group's associate as at 31 March 2025 are as follows:

Name	Registered share capital	Place of registration and business	Percentage of Ownership interest	Percentage of Voting power	Principal activities
Nobleswear (Private) Limited	BDT 333,717,904	Sri Lanka	26	25	Manufacturing of garment products

16. GOODWILL

	HK$
At 31 March 2023:	
Cost	16,441,425
Accumulated impairment	(844,354)
Net carrying amount	15,597,071
Cost at 1 April 2023, net of accumulated impairment	15,597,071
Acquisition of a subsidiary (note 30)	2,673,404
Exchange realignment	128,984
At 31 March 2024	18,399,459
At 31 March 2024:	
Cost	19,243,813
Accumulated impairment	(844,354)
Net carrying amount	18,399,459
Cost at 1 April 2024, net of accumulated impairment	18,399,459
Disposal of a subsidiary (note 30)	(6,724,025)
Exchange realignment	116,206
At 31 March 2025	11,791,640
At 31 March 2025:	
Cost	12,635,994
Accumulated impairment	(844,354)
Net carrying amount	11,791,640

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the garment products cash-generating units in the markets of the United Kingdom, Colombo and Belgium, respectively. The recoverable amounts of the cash-generating units have been determined based on a value-in-use calculations using cash flow projections based on financial forecasts covering a five-year period approved by management. The discount rates applied to the cash flow projections are 10% to 17% (2024: 10% to 17%) and cash flows beyond the five-year period are extrapolated using growth rate of 3% (2024: 3%), which was the same as the long term average growth rate of the garment products industry.

16. GOODWILL (continued)

Impairment testing of goodwill (continued)
Assumptions were used in the value-in-use calculation of the garment products cash-generating units for 31 March 2025 and 31 March 2024. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margin - The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Discount rates - The discount rates used are before tax and reflect specific risks relating to the relevant units.

The values assigned to the key assumptions on market development of garment products and discount rates are consistent with external information sources.

17. INTANGIBLE ASSETS

	Software license HK$
31 March 2025	
Cost at 1 April 2024, net of accumulated amortisation	621,504
Additions	201,713
Amortisation provided during the year	(273,633)
At 31 March 2025	549,584
At 31 March 2025:	
Cost	1,679,010
Accumulated amortisation	(1,129,426)
Net carrying amount	549,584

17. INTANGIBLE ASSETS (continued)

	Software license HK$
31 March 2024	
Cost at 1 April 2023, net of accumulated amortisation	107,364
Additions	579,979
Amortisation provided during the year	(65,839)
At 31 March 2024	621,504
At 31 March 2024:	
Cost	1,477,297
Accumulated amortisation	(855,793)
Net carrying amount	621,504

18. INVENTORIES

The Group's inventories represented fabrics sourced for supplies to manufacturers for their production of garments for the Group.

19. TRADE RECEIVABLES

	2025 HK$	2024 HK$
Trade receivables	419,908,363	376,911,475
Less: Impairment	(2,355,908)	(2,567,721)
Total	417,552,455	374,343,754

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Trade receivables are non-interest-bearing and are on terms of up to 120 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to a large amount of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 HK$	2024 HK$
At beginning of year	2,567,721	2,026,451
Impairment/(reversal of impairment) of trade receivables, net (note 5)	(212,295)	538,338
Exchange realignment	482	2,932
At end of year	2,355,908	2,567,721

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

19. TRADE RECEIVABLES (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 March 2025

		Past due				
	Current	Less than 1 month	1 to 2 months	2 to 3 months	Over 3 months	Total
Expected credit loss rate	0.54%	0.54%	0.58%	0.65%	0.79%	0.56%
Gross carrying amount (HK$)	206,663,826	138,491,493	37,170,269	13,077,020	24,505,755	419,908,363
Expected credit losses (HK$)	1,116,041	745,451	216,396	84,504	193,516	2,355,908

As at 31 March 2024

		Past due				
	Current	Less than 1 month	1 to 2 months	2 to 3 months	Over 3 months	Total
Expected credit loss rate	0.68%	0.69%	0.71%	-	0.78%	0.68%
Gross carrying amount (HK$)	346,736,675	14,486,343	12,059,766	-	3,628,691	376,911,475
Expected credit losses (HK$)	2,354,733	99,429	85,371	-	28,188	2,567,721

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 HK$	2024 HK$
Prepayments	95,511,124	52,371,951
Deposits	4,815,730	4,371,493
Other receivables	11,541,002	23,778,615
	111,867,856	80,522,059
Less: Portion classified as non-current assets	(4,255,487)	(3,630,344)
Total	107,612,369	76,891,715

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 March 2025 and 2024, the loss allowance was assessed to be minimal.

21. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	2025 HK$	2024 HK$
Cash and bank balances	143,679,617	105,311,109
Pledged time deposits	148,303,944	130,257,578
	291,983,561	235,568,687
Less: Pledged time deposits for banking facilities:		
- with original maturity of less than three months when acquired	(30,489,203)	(54,865,491)
- with original maturity of more than three months when acquired	(117,814,741)	(75,392,087)
Cash and cash equivalents	143,679,617	105,311,109

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to HK$1,762,107 (2024: HK$2,106,529). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged time deposits are deposited with creditworthy banks with no recent history of default.

22. OTHER PAYABLES AND ACCRUALS

	Notes	2025 HK$	2024 HK$
Other payables	(a)	4,116,065	1,267,376
Accrued employee benefits		8,490,424	11,599,064
Accruals		65,023,504	61,396,836
Contract liabilities	(b)	24,917,303	36,149,265
Defined benefit obligations	26	16,668,244	9,489,044
Total		119,215,540	119,901,585
Less: Portion classified as non-current assets		(16,668,244)	(9,489,044)
		102,547,296	110,412,541

Notes:

(a) Other payables are non-interest-bearing and have an average term of three months.

(b) Details of contract liabilities are as follows:

	31 March 2025 HK$	31 March 2024 HK$	1 April 2023 HK$
Short-term advances received from customers			
Sales of goods	24,917,303	36,149,265	21,870,661

Contract liabilities include short-term advances received to deliver garment products. The decrease in contract liabilities in 2025 was mainly due to the decrease in sales order received from customers in relation to sales of garment near year end. The increase in contract liabilities in 2024 was mainly due to the increase in short-term advances received from customers in relation to the future sales of garment at the end of the year.

23. INTEREST-BEARING BANK BORROWINGS

	2025		
	Contractual interest rate (%)	Maturity	HK$
Import loans	USD SOFR*+1.75%, USD SOFR*+2.15%, USD SOFR*+3.75%,	2025/on demand	42,251,940
Trust receipt loans	COF^^+1.75%, USD SOFR*+1.75%, USD SOFR*+2.15%, USD SOFR*+3.5%, BPLR**** +1.75%,	2025/on demand	194,168,506
Bank overdraft	COF^^+2.25%, USD SOFR*+1.75%, USD SOFR*+3.75%,	On demand	7,483,413
			243,903,859

	2024		
	Contractual interest rate (%)	Maturity	HK$
Import loans	USD SOFR*+2.15%,	2024/on demand	19,548,982
Export loans	USD SOFR*+2.15%,	2024/on demand	4,644,335
Trust receipt loans	COF^^+1.75%, USD SOFR*+1.75%, HIBOR^+2%, USD SOFR*+3.5%, USD SOFR*+2.15%,	2024/on demand	216,830,520
Bank overdraft	COF^^+1.75% HIBOR^+2%, BLR+2.75%, BPLR**** +1.5%,	On demand	37,998,162
			279,021,999

23. INTEREST-BEARING BANK BORROWINGS (continued)

^ Hong Kong Interbank Offered Rate ("HIBOR")
^^ Intesa Sanpaolo S.p.A.'s Cost of Funds ("COF")
^^^ BNP PARIBAS's Cost of Funds ("COF")
^^^^ Citi Bank's Cost of Funds ("COF")
^^^^^ Euro Interbank Offered Rate ("EURIBOR")
* Secured Overnight Financing Rate ("SOFR")
** HSBC GBP Sterling Overnight Index Average ("SONIA")
*** UCO bank Secured Overnight Financing Rate ("SOFR")
**** Benchmark Prime Lending Rate ("BLPR")

Certain of the Group's bank loan agreements contain repayment on demand clauses and the corresponding bank loans have been classified as current liabilities in the consolidated statement of financial position. Ignoring the effect of any repayment on demand clauses and based on the maturity terms of these loans, the interest-bearing bank borrowings of the Group are repayable within one year.

Set out below is the information about the interest-bearing bank borrowings by denomination currency:

	2025 HK$	2024 HK$
US$	201,360,278	257,124,626
HK$	42,543,581	21,897,373
	243,903,859	279,021,999

As at the end of the reporting period, certain of the Group's interest-bearing bank borrowings are secured by certain of the Group's investment properties, time deposits, and unlisted investments with an aggregate carrying amount of approximately HK$245,647,598 (2024: HK$218,197,599) and guaranteed by the immediate holding company, fellow subsidiaries, and directors of the Company.

24. DERIVATIVE FINANCIAL INSTRUMENTS

Assets

	2025 HK$	2024 HK$
Forward currency contracts	479,602	1,387,880

Liabilities

	2025 HK$	2024 HK$
Forward currency contracts	4,611,017	2,797,682

Cash flow hedges

Forward currency contracts are designated as hedging instruments in respect of forecast future sales and forecast purchases in foreign currencies to which the Group has firm commitments. The forward currency contract balances vary with the levels of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

At 31 March 2025, the Group held 58 (2024: 72) forward currency contracts. They are designated as hedges in respect of expected future sales to customers in the United Kingdom for which the Group has firm commitments.

The terms of the forward currency contracts have been negotiated to match the terms of the commitments. The cash flow hedges relating to expected future settlement of sales and purchases between April 2024 to March 2025 were assessed to be highly effective and net loss of HK$2,721,613 (2024: net loss of HK$1,280,765) were included in the hedging reserve as follows:

	2025 HK$	2024 HK$
Total fair value losses included in the hedging reserves	(908,278)	(19,576)
Reclassified from other comprehensive income to the consolidated statement of profit or loss (note 5)	(1,813,335)	(1,261,189)
Net losses on cash flow hedges	(2,721,613)	(1,280,765)

25. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

	Depreciation allowance in excess of related depreciation	Depreciation in excess of related depreciation allowance
	HK$	HK$
Gross deferred tax assets at 1 April 2023	(107,181)	26,947
Deferred tax credited to the consolidated statement of profit or loss during the year (note 8)	-	143,183
Gross deferred tax asset at 31 March 2024 and at 1 April 2024	(107,181)	170,130
Deferred tax charged to the consolidated statement of profit or loss during the year* (note 8)	107,181	666,117
Gross deferred tax assets at 31 March 2025	-	836,247

The following is an analysis of the deferred tax balance of the Group for financial reporting purposes:

	2025	2024
	HK$	HK$
Net deferred tax assets recognised in the consolidated statement of financial position	836,247	170,130
Net deferred tax liabilities recognised in the consolidated statement of financial position	-	(107,181)
Net deferred tax assets	836,247	62,949

* The net effect credited to profit and loss amounts to HK$773,298 (2024: HK$143,183).

26. DEFINED BENEFIT OBLIGATIONS

The Group made provisions for estimated liabilities for employee benefits in respect of termination benefit and earned leave pursuant to Bangladesh Labour Act. According to the law, employees are entitled to termination benefit and earned leave upon dismissal or retirement. Employees who have completed at least five years but less than ten years of continuous service are entitled to termination benefit equal fourteen days' salary for each completed year of service. Employees who have completed ten or more years of continuous service are entitled to termination benefit equal thirty days' salary for each completed year of service. Employees who have completed one year of continuous service are entitled to one day of earned leave for every fifteen days of work to up to sixty days.

The liability for termination of employment is measured using the projected unit credit method. The actuarial assumptions include expected salary increases and rates of employee turnover based on the estimated timing of payment. The amounts are presented based on discounted expected future cash flows using a discount rate determined by reference to market yields at the reporting date on government bonds with a term that is consistent with the estimated term of the severance pay obligation.

The most recent actuarial valuations of the plan assets and the present value of the defined benefit obligations were carried out on 31 March 2025 by Charan Gupta Consultants Pvt Ltd, a member of the Actuarial Society of India, using the projected unit credit actuarial valuation method.

The principal actuarial assumptions used as at the end of the reporting period are as follows:

	2025	2024
Discount rate (%)	11.9	12.6
Expected rate of salary increases (%)	7.8	6.0

A quantitative sensitivity analysis for significant assumptions as at the end of the reporting period is shown below:

	Increase in rate %	Increase/ (decrease) in defined benefit obligations HK$	Decrease in rate %	Increase/ (decrease) in defined benefit obligations HK$
2025				
Discount rate	0.5	(1,121,764)	0.5	1,206,213
Future salary increase	0.5	1,192,928	0.5	(1,128,321)
2024				
Discount rate	0.5	(310,593)	0.5	325,225
Future salary increase	0.5	346,429	0.5	(328,927)

26. DEFINED BENEFIT OBLIGATIONS (continued)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

The total expenses recognised in the consolidated statement of profit or loss in respect of the plan are as follows:

	2025 HK$	2024 HK$
Current service cost	3,377,344	1,270,651
Past service cost	1,443,174	773,847
Interest cost	1,170,180	696,144
Net benefit expenses recognised in administrative expenses	5,990,698	2,740,642

The movements in the present value of the defined benefit obligations are as follows:

	2025 HK$	2024 HK$
At beginning of year	9,489,044	9,963,198
Current service cost	3,377,344	1,270,651
Past service cost	1,443,174	773,847
Net interest cost	1,170,180	696,144
Actuarial gain/(loss) arising from experience adjustments	4,557,542	(1,302,930)
Benefit paid	(3,196,080)	(992,652)
Exchange realignment	(172,960)	(919,214)
At end of the reporting period	16,668,244	9,489,044

27. SHARE CAPITAL

	2025 HK$	2024 HK$
Issued and fully paid:		
4,000,000 (2024: 4,000,000) ordinary shares	31,120,000	31,120,000

28. SHARE OPTION SCHEME

The employees of the Company are covered under the share-based schemes of Employee Stock Option Plan 2021 – Plan A and Phantom Stock Units Plan 2021 (the ultimate holding company).

Employee Stock Purchase Plan (ESPP):
The employee stock purchase plan options are offered to all eligible employees fixed numbers of shares/appreciation rights. Under the plan, the option price per share is 100 percent of the fair market value on the grant date with a discount of 20 percent. The options have a four-year term plan and would be exercisable in four equal instalments.

Total share-based expense recognised in the statement of profit and loss as part of employee benefits expense is as follows:

	2025 HK$	2024 HK$
Share-based expense	1,939,717	4,628,403

Computation methodology and assumptions
The Company accounts for all awards granted under the share based schemes and estimates the fair values for stock options using the Black-Scholes option-pricing model with the following weighted average assumptions as follows:

	22 October 2021 HK$	8 December 2021 HK$	30 December 2021 HK$
Weighted average grant date share price, per share*	28.6	33.0	35.6
Weighted average exercise price, per share*	22.8	22.8	22.8
Weighted average assumptions used:			
Expected volatility	25%	25%	25%
Expected lives (in years)	4	4	4
Risk-free interest rates	5.50%	5.65%	5.85%
Expected dividend yields	1.12%	95%	0.88%

28. SHARE OPTION SCHEME (continued)

The Company determines expected volatility on all options granted using available implied volatility rates. The Company believes that market-based measures of implied volatility are currently the best available indicators of the expected volatility used in these estimates. The Company determines expected lives of options based on the weighted average life of the options. The Company believes that the weighted average life of the options is the best estimate currently available. The risk-free interest rates are determined using the implied yield currently available for zero-coupon U.S. government issues with a remaining term equal to the expected life of the options. The expected dividend yields are based on the annualised approved quarterly dividend rate and the current market price of the ultimate holding company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term. Employee stock purchase plan is a discount-purchase plan and consequently the fair value per share under this plan equals the amount of the discount.

Summarised information about movement in the share based schemes:

The Options outstanding under the employee stock purchase plan as of 31 March 2025 had an exercise price equal to 80 percent of the fair market value of holding company's stock on the date of exercise.

The following share options were outstanding under the Scheme during the year:

	2025		2024	
	Weighted average exercise price HK$ per share	Number of options	Weighted average exercise price HK$ per share	Number of options
At 1 April	28.15	663,500	28.15	731,625
Exercised during the year	28.15	(25,000)	28.15	(53,125)
Cancelled/Transferred during the year	28.15	(162,500)	28.15	(15,000)
At 31 March	28.15	476,000	28.15	663,500

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current year and the prior year are presented in the consolidated statement of changes in equity on pages 10 and 11 of the financial statements.

30. BUSINESS COMBINATION

During the year ended 31 March 2024, the Group acquired additional 1% of the issued share capital of Sourcing Solutions Europe for a consideration of EUR25,000 (equivalent to HK$210,060) such that the Group has obtained effective control of Sourcing Solutions Europe with effect on 19 January 2024. Thereafter, Sourcing Solutions Europe has become a non-wholly owned subsidiary of the Company.

Sourcing Solutions Europe is engaged in trading of garments. The acquisition was made as part of the Group's strategy to expand its market share of garment business. The purchase consideration for the acquisition was in form of cash. The purchase price allocation exercise of the investment in Sourcing Solutions Europe has been made on a provisional basis, pending finalisation of valuation to assess the fair value of identifiable net assets.

The Group has elected to measure the non-controlling interest in Sourcing Solutions Europe at the non-controlling interest's proportionate share of Souring Solutions Europe's identifiable net assets.

During the year ended 31 March 2025, The Group had not made retrospective adjustments to the financial information for the year ended 31 March 2024 following the completion of the purchase price allocation reviewed as the fair value of the identified assets approximate to the value identified in the provisional purchase price allocation.

30. BUSINESS COMBINATION (continued)

The fair values of the identifiable assets and liabilities of Sourcing Solutions as at the date of acquisition were as follows:

	Fair value recognised on acquisition HK$
Trade receivables	174,104
Cash and cash equivalents	554,988
Other payables and accruals	(5,316,992)
Total identifiable net assets	(2,463,344)
NCI portion of assets	(2,124,556)
Goodwill	2,673,404
Satisfied by:	
Cash consideration	210,060
Fair value of previously held interest	-
	210,060

The fair value of trade receivables and other receivables as at the date of acquisition amounted to HK$161,207. The gross contractual amounts of trade receivables were HK$161,207, none of which are expected to be uncollectible.

The Group incurred no transaction costs for the acquisition of Sourcing Solutions Europe.

An analysis of cash flows in respect of the acquisition of Sourcing Solutions acquirees is as follows:

	HK$
Cash and cash equivalents and net inflow of cash and cash equivalents	344,928

31. DISPOSALS OF SUBSIDIARIES

On 31 December 2024, the Group disposed of its entire equity interest in JJ Star Industrial Limited ("JJ Star") to the non-controlling shareholder of JJ Star, for no consideration. On 31 March 2025, the Group disposed of its entire equity interest in Lillyandsid Limited ("LS") to Design Arc Brands Limited, a fellow subsidiary of the Group, for a cash consideration of GBP486,475 (equivalent to HK$4,806,665).

	JJ Star HK$	LS HK$	Total HK$
Net asset disposal of:			
Goodwill	-	6,724,025	6,724,025
Property, plant and equipment	-	50,704	50,704
Inventories	-	12,784,262	12,784,262
Prepayments, deposits and other receivables	6,891,185	114,655	7,005,840
Intercompany balances	-	(1,879,399)	(1,879,399)
Cash and cash equivalents	53,749	2,096,505	2,150,254
Other payables and accruals	(6,944,933)	(19,425,948)	(26,370,881)
Release of cumulative exchange reserve	-	172,129	172,129
Release of cumulative capital reserve	(35,748)	(589,927)	(625,675)
	(35,747)	623,307	587,560
Non-controlling interests	(71,076)	2,455,184	2,384,108
Gain on disposal of subsidiaries	106,823	1,728,174	1,834,997
	-	4,806,665	4,806,665
Satisfied by:			
Amount due from a fellow subsidiary	-	-	-
Cash consideration	-	4,806,665	4,806,665
	-	4,806,665	4,806,665

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of JJ Star and LS was as follows:

	2025 HK$
Cash consideration	4,806,665
Cash and cash equivalents disposed of	(2,150,254)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	2,656,411

32. PARTLY-OWNED SUBSIDIAIRIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

	2025	2024
Percentage of equity interest held by non-controlling interests:		
Spring Near East	35%	35%
JJ Star	-	42.5%
PDS Far East	20%	20%
Krayons	25%	25%
Nor Lanka	9.5%	-
Profit/(loss) for the year allocated to non-controlling interests at the reporting date:		
Spring Near East	67,890	(2,641,015)
JJ Star	6,873,768	(563,327)
PDS Far East	(1,440,912)	(1,173,179)
Krayons	13,486,214	4,769,276
Nor Lanka	-	-
Dividends paid to non-controlling interests:		
Spring Near East	6,613,625	-
JJ Star	-	-
PDS Far East	-	-
Krayons	8,928,458	10,744,445
Nor Lanka	3,685,702	-
Accumulated balances of the non-controlling interests at the reporting date:		
Spring Near East	(475,790)	6,069,945
JJ Star	-	(6,802,691)
PDS Far East	(11,540,006)	(10,099,094)
Krayons	10,757,219	6,199,463
Nor Lanka	3,019,151	-

32. PARTLY-OWNED SUBSIDIAIRIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

2025	PDS Far East HK$	Spring Near East HK$	Krayons HK$	Nor Lanka HK$
Revenue	220,220,265	48,659,468	621,455,190	715,910,820
Total expenses, net	(227,424,825)	(48,465,498)	(567,510,334)	(704,061,334)
Profit/(loss) for the year	(7,204,560)	193,970	53,944,856	11,849,486
Total comprehensive income/(loss) for the year	(7,204,560)	331,229	53,944,856	11,895,385
Current assets	112,498,071	36,021,313	219,226,169	156,222,604
Non-current assets	525,400	3,510,207	3,605,583	41,949,893
Current liabilities	(169,821,290)	(36,678,585)	(175,645,863)	(166,391,958)
Non-current liabilities	(356,120)	(635,404)	(3,154,076)	-
Net cash flows from/(used in) operating activities	175,197	20,142,194	15,859,861	(8,492,452)
Net cash flows from/(used in) investing activities	(251,089)	(237,210)	(338,218)	11,835,704
Net cash flows used in financing activities	(97,590)	(20,723,909)	(17,281,711)	(7,849,156)
Net decrease in cash and cash equivalents	(173,482)	(818,924)	(1,760,068)	(4,505,904)

32. PARTLY-OWNED SUBSIDIAIRIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

2024	PDS Far East HK$	Spring Near East HK$	Krayons HK$	JJ Star HK$
Revenue	167,873,793	156,185,738	432,515,010	-
Total expenses, net	(173,739,689)	(163,731,495)	(413,437,904)	(1,325,476)
Profit/(loss) for the year	(5,865,896)	(7,545,757)	19,077,106	(1,325,476)
Total comprehensive income/(loss) for the year	(5,865,896)	(7,002,233)	19,170,339	(1,325,476)
Current assets	31,913,465	47,333,008	151,501,366	25,362
Non-current assets	646,873	8,161,978	4,838,152	-
Current liabilities	(82,396,124)	(29,693,723)	(126,770,475)	(16,198,932)
Non-current liabilities	(171,988)	(5,137,468)	(3,911,011)	-
Net cash flows from/(used in) operating activities	(139,581)	(6,089,536)	41,912,546	7,600
Net cash flows from/(used in) investing activities	(74,619)	(122,694)	194,526	-
Net cash flows used in financing activities	(49,127)	(3,735,526)	(41,224,677)	-
Net increase/(decrease) in cash and cash equivalents	(263,327)	(9,947,756)	882,395	7,600

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK$7,852,904 (2024: HK$9,108,081) and HK$7,852,904 (2024: HK$9,108,081), respectively, in respect of lease arrangements for properties.

(b) Change in liabilities arising from financing activities

	Lease liabilities HK$	Interest-bearing bank borrowings HK$
At 1 April 2023	31,690,314	212,500,683
New leases	9,108,081	-
Lease modification	384,949	-
Changes from financing cash flows, net	(11,169,635)	28,442,381
Rent concessions from lessors	(11,019)	-
Interest expense	1,621,221	-
Termination of leases	(3,054,832)	-
Exchange realignment	(1,011,380)	80,771
At 31 March 2024 and 1 April 2024	27,557,699	241,023,835
New leases	7,852,904	-
Lease modification	173,655	-
Changes from financing cash flows, net	(9,997,868)	(4,669,282)
Rent concessions from lessors	(31,565)	-
Interest expense	1,824,189	-
Termination of leases	(2,277,873)	-
Exchange realignment	(3,890,036)	65,893
At 31 March 2025	21,211,105	236,420,446

34. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

	2025 HK$	2024 HK$
Guarantees given to banks in connection with facilities granted to fellow subsidiaries	919,377,561	696,488,090

At 31 March 2025, the banking facilities guaranteed by the Group to fellow subsidiaries were utilised to the extent of approximately HK$916,105,676 (2024: HK$618,843,076).

In determining whether financial liabilities should be recognised in respect of the Group's financial guarantee contracts, the directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation.

In the opinion of the directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value has been recognised in the consolidated financial statements.

35. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank loans and overdrafts are included in note 23 to the financial statements.

36. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties based on mutually agreed terms during the year:

	2025 HK$	2024 HK$
Fellow subsidiaries:		
Sales of goods	48,100,029	39,825,859
Purchase of goods	142,070,990	115,617,120
Handling fees paid	23,917,340	-
Marketing fees paid	-	36,115,082
Marketing fees received	31,967,105	16,067,880
Rentals received	488,376	-
Consultancy fees paid	-	4,299,188
Management fees paid	-	5,772,674
Support services fee paid	12,967	28,755,699
Support services fee received	-	3,739,330
Sampling fees paid	969,808	19,392,067
Ultimate holding company:		
Sales of goods	181,622,062	205,304,585
Marketing fees received	-	24,981,527
Marketing fees paid	4,281,399	-
Immediate holding company:		
Consultancy fees paid	-	1,170,462
Marketing fees paid	-	3,640,620
Management fees paid	20,355,552	13,526,809
Dividend paid	-	77,800,000
Support services fee paid	-	5,570,402
Support services fee received	5,909,171	2,686,300
Associate:		
Purchase of goods	30,431,673	25,522,459

(b) Outstanding balances with related parties:

(i) The outstanding balances with the ultimate holding company, fellow subsidiaries, non-controlling shareholders, the immediate holding company, an associate, directors and a related company are unsecured, interest-free and are repayable on demand.

36. RELATED PARTY TRANSACTIONS (continued)

(b) (continued):

(ii) Particulars of an amount due from a related company, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance, are as follows:

Name	At 31 March 2025 HK$	Maximum amount outstanding during the year HK$	At 31 March 2024 HK$	Maximum amount outstanding during the year HK$	At 1 April 2023 HK$
Yellow Octopus EU Sp. z.oo	3,848,862	4,668,000	4,668,000	8,262,434	8,262,434
Lerros Moden GmbH	1,201,759	1,201,759	-	-	-
	5,050,621	5,869,759	4,668,000	8,262,434	8,262,434

Yellow Octopus EU Sp. z.oo is a joint venture controlled by a fellow subsidiary of the Group.
Lerros Moden GmbH is held by a common director of the Group.

(c) Compensation of key management personnel of the Company represented directors' remuneration as disclosed in note 7 to the financial statements.

37. FINANCIAL INSTRUMENTS BY CATEGORY

Other than derivative financial instruments, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income as disclosed in notes 13 and 14 to the financial statements, respectively, which were classified as financial assets at fair value through profit or loss designated as such upon initial recognition and investments on debt and equity instruments designated as such upon initial recognitions, respectively, all financial assets and liabilities of the Group as at 31 March 2025 and 2024, were stated at amortised cost.

The financial liabilities of the Group comprise trade and bills payables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, lease liabilities and amounts due to directors, an associate and fellow subsidiaries, which are categorised as financial liabilities at amortised cost, and derivative financial instruments which are categorised as financial liabilities at fair value through profit or loss. The carrying amounts of these financial liabilities are the amounts shown on the consolidated statement of financial position or in the corresponding notes to the financial statements.

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of trade receivables, pledged time deposits, cash and cash equivalents, trade and bills payables, current portion of deposits and other receivables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings, and balances with the ultimate holding company, the immediate holding company, fellow subsidiaries, directors, a related company, an associate and non-controlling shareholders, approximated to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group’s own non-performance risk for interest-bearing bank borrowings as at 31 March 2025 and 31 March 2024 were assessed to be insignificant.

The fair values of financial assets and liabilities are included at the amounts at which the instruments could be exchanged in current transactions between willing parties, other than in forced or liquidation sale transactions. The fair values of listed equity investments and listed debt investments at fair value through profit or loss are based on quoted market prices. The fair value of unlisted investments at fair value through other comprehensive income and fair value through profit or loss are based on either using a valuation technique which incorporates various market observable inputs or most recent transaction prices. The directors believe that the estimated fair value resulting therefrom, which is recorded in the consolidated statement of financial position, and the related change in fair value, which is recorded in the statement of profit or loss, are reasonable, and that it was the most appropriate value at the end of the reporting period.

The fair values of unlisted investments included in financial assets at fair value through profit or loss have been estimated based on the surrender values, which are calculated and quoted by the issuer. The directors believe that the estimated fair values resulting therefrom, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statement of profit or losses, are reasonable, and that they were the most appropriate values at the end of the reporting period.

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group enters into derivative financial instruments with financial institutions with high credit ratings. Derivative financial instruments, representing forward currency contracts and option currency contracts, are measured using valuation techniques similar to forward and option pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The carrying amounts of forward currency contracts are the same as their fair values.

As at 31 March 2025, the mark-to-market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

Fair value hierarchy
The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:
At 31 March 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$	Significant observable inputs (Level 2) HK$	Significant unobservable inputs (Level 3) HK$	Total HK$
Financial assets at fair value through profit or loss	34,497,542	30,391,118	-	64,888,660
Financial assets at fair value other comprehensive income	-	2,024,823	-	2,024,823
Derivative financial instruments	-	479,602	-	479,602
Total	34,497,542	32,895,543	-	67,393,085

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)
Assets measured at fair value: (continued)
At 31 March 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$	Significant observable inputs (Level 2) HK$	Significant unobservable inputs (Level 3) HK$	Total HK$
Financial assets at fair value through profit or loss	12,819,901	29,409,260	-	42,229,161
Financial assets at fair value other comprehensive income	-	10,778,129	-	10,778,129
Derivative financial instruments	-	1,387,880	-	1,387,880
Total	12,819,901	41,575,269	-	54,395,170

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$	Significant observable inputs (Level 2) HK$	Significant unobservable inputs (Level 3) HK$	Total HK$
Liabilities measured at fair value:				
At 31 March 2025				
Derivative financial instruments	-	4,611,017	-	4,611,017
At 31 March 2024				
Derivative financial instruments	-	2,797,682	-	2,797,682

During the year, there were no transfers of fair value measurements between Level 1 and Level 2, and no transfer into or out of Level 3 for financial liabilities (2024: Nil).

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's exposure to interest rate risk, foreign currency risk, credit risk, equity price risk and liquidity risk arises in the normal course of its business. These risks are managed by the Group's financial management policies and practices described below:

Interest rate risk

The Group's interest rate risk arises from cash and cash equivalents, pledged time deposits and bank borrowings which bears interest at variable rates.

The following table demonstrates the sensitivity to a reasonably possible change in HK$ interest rate, with all other variables held constant, of the Group's profit before tax (through the impact on cash and time deposits at banks and floating rate borrowings). There is no impact on the Group's equity except on the retained profits.

	Increase/ (decrease) in basis points	Increase/ (decrease) in profit before tax HK$
2025		
HK$	50	240,399
HK$	(50)	(240,399)
2024		
HK$	50	(217,267)
HK$	(50)	217,267

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the Group's functional currency. The Group uses forward currency contracts to eliminate the foreign currency exposures on its sales transactions, for which the corresponding settlements are anticipated to take place more than one month after the Group has entered into firm commitments for the sales. The forward currency contracts must be in the same currency as that of the hedged items. The Group negotiates the terms of the hedge derivatives to match the terms of the hedged items to maximise hedge effectiveness. It is the Group's policy that a forward contract is not entered into until a firm commitment is in place.

The Group considered the impact on the equity from the change in US$ exchange rate was nominal at the end of the reporting period since HK$ is pegged to US$.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the GBP exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities). There is no impact on the Group's equity except on the retained profits.

	Change in the exchange rate %	Increase/ (decrease) in profit before tax HK$
2025		
If HK$ weakens against GBP	10	4,135,827
If HK$ strengthens against GBP	(10)	(4,135,827)
2024		
If HK$ weakens against GBP	10	7,560,047
If HK$ strengthens against GBP	(10)	(7,560,047)

Credit risk

The Group's cash and cash equivalents are held in major financial institutions, which management believes are of high credit quality. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

<u>Maximum exposure and year-end staging</u>

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. The amounts presented are gross carrying amounts of the financial assets.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

As at 31 March 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$	Stage 2 HK$	Stage 3 HK$	Simplified approach HK$	Total HK$
Trade receivables*	-	-	-	419,908,363	419,908,363
Deposits and other receivables					
- Normal**	16,356,732	-	-	-	16,356,732
Due from the ultimate holding company					
- Normal**	50,021,116	-	-	-	50,021,116
Due from the immediate holding company					
- Normal**	486,810,005	-	-	-	486,810,005
Due from fellow subsidiaries					
- Normal**	502,820,543	-	-	-	502,820,543
Due from a related company					
- Normal**	5,050,621	-	-	-	5,050,621
Due from non-controlling shareholders					
- Normal**	34,247	-	-	-	34,247
Due from directors					
- Normal**	-	-	-	-	-
Pledged time deposits					
- Not yet past due	148,303,944	-	-	-	148,303,944
Cash and cash equivalents					
- Not yet past due	143,679,617	-	-	-	143,679,617
Total	1,353,076,825	-	-	419,908,363	1,772,985,188

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

As at 31 March 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$	Stage 2 HK$	Stage 3 HK$	Simplified approach HK$	Total HK$
Trade receivables*	-	-	-	376,911,475	376,911,475
Deposits and other receivables					
- Normal**	28,150,108	-	-	-	28,150,108
Due from the ultimate holding company					
- Normal**	115,471,421	-	-	-	115,471,421
Due from the immediate holding company					
- Normal**	372,810,751	-	-	-	372,810,751
Due from fellow subsidiaries					
- Normal**	586,160,831	-	-	-	586,160,831
Due from a related company					
- Normal**	4,668,000	-	-	-	4,668,000
Due from non-controlling shareholders					
- Normal**	34,247	-	-	-	34,247
Due from directors					
- Normal**	40,845	-	-	-	40,845
Pledged time deposits					
- Not yet past due	130,257,578	-	-	-	130,257,578
Cash and cash equivalents					
- Not yet past due	105,311,109	-	-	-	105,311,109
Total	1,342,904,890	-	-	376,911,475	1,719,816,365

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

** The credit quality of the deposits and other receivables and amounts due from the ultimate holding company, the immediate holding company, fellow subsidiaries, non-controlling shareholders, directors and a related company are considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Equity price risk

Equity price risk is the risk that the fair values of investment securities decrease as a result of changes in the levels of equity indices or the value of individual securities. The Group is exposed to equity price risk arising from individually listed equity investments included in financial assets at fair value through profit or loss (note 13) as at 31 March 2025. The Group’s listed equity investments are listed in the United States of America and are valued at quoted market prices at the end of the reporting period.

The following table demonstrates the sensitivity to every 10% change in the fair values of the investment securities, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

	Carrying amount of equity investments HK$	Change in profit before tax HK$
2025		
Investments listed in the United States of America	12,629,103	1,262,910
2024		
Investments listed in the United States of America	4,561,859	456,186

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of working capital deemed adequate, and maintains a balance between continuity and flexibility of funding from group companies.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	2025			
	On demand/ less than 1 year HK$	1 to 5 years HK$	Over 5 years HK$	Total HK$
Lease liabilities	9,557,491	12,661,142	-	22,218,633
Interest-bearing bank borrowings	243,903,859	-	-	243,903,859
Trade and bills payables	368,278,161	-	-	368,278,161
Financial liabilities included in other payables and accruals	69,139,569	-	-	69,139,569
Due to fellow subsidiaries	677,190,008	-	-	677,190,008
Due to an associate	1,220,120	-	-	1,220,120
Due to directors	5,204,368	-	-	5,204,368
Derivative financial instruments	4,611,017	-	-	4,611,017
Total	1,379,104,593	12,661,142	-	1,391,765,735

	2024			
	On demand/ less than 1 year HK$	1 to 5 years HK$	Over 5 years HK$	Total HK$
Lease liabilities	8,434,406	21,921,621	-	30,356,027
Interest-bearing bank borrowings	279,021,999	-	-	279,021,999
Trade and bills payables	460,356,889	-	-	460,356,889
Financial liabilities included in other payables and accruals	62,664,213	-	-	62,664,213
Due to fellow subsidiaries	418,232,231	-	-	418,232,231
Due to an associate	2,693,430	-	-	2,693,430
Due to a director	38,900	-	-	38,900
Derivative financial instruments	2,797,682	-	-	2,797,682
Total	1,234,239,750	21,921,621	-	1,256,161,371

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its businesses and maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payments to its shareholders, return capital to the shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 HK$	2024 HK$
NON-CURRENT ASSETS		
Property, plant and equipment	2,359,248	7,409,275
Investment properties	23,429,066	24,896,008
Right-of-use assets	1,892,720	6,076,364
Investments in subsidiaries	20,273,939	19,729,971
Financial assets at fair value through profit or loss	30,391,118	28,539,447
Financial assets at fair value through other comprehensive income	2,024,823	6,133,794
Deposits	2,181,056	677,404
Total non-current assets	82,551,970	87,388,348
CURRENT ASSETS		
Trade receivables	32,137,763	26,478,200
Prepayments, deposits and other receivables	23,568,223	14,142,251
Financial assets at fair value through profit or loss	34,497,542	12,819,901
Financial assets at fair value through other comprehensive income	-	4,644,335
Due from an immediate holding company	490,213,866	368,060,842
Due from fellow subsidiaries	377,219,651	544,510,650
Due from subsidiaries	392,377,386	249,769,634
Due from a related company	5,050,621	4,668,000
Derivative financial instruments	479,602	1,387,880
Pledged time deposits	130,305,567	112,702,335
Cash and cash equivalents	97,859,875	42,691,041
Total current assets	1,583,710,096	1,381,875,069

continued/…

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

	2024 HK$	2023 HK$
CURRENT LIABILITIES		
Trade and bills payables	15,910,909	18,390,246
Other payables and accruals	6,779,323	19,776,307
Lease liabilities	1,384,616	1,258,611
Interest-bearing bank borrowings	32,230,227	65,701,827
Due to fellow subsidiaries	536,828,303	350,105,714
Due to subsidiaries	234,179,715	211,528,003
Due to a director	38,900	38,900
Derivative financial instruments	4,570,719	2,705,690
Tax payable	4,737,740	3,211,268
Total current liabilities	836,660,452	672,716,566
NET CURRENT ASSETS	747,049,644	709,158,503
TOTAL ASSETS LESS CURRENT LIABILITIES	829,601,614	796,546,851
NON-CURRENT LIABILITIES		
Other payables	2,423,434	3,014,471
Lease liabilities	532,452	1,467,664
Total non-current liabilities	2,955,886	4,482,135
Net assets	826,645,728	792,064,716
EQUITY		
Share capital	31,120,000	31,120,000
Reserves (note)	795,525,728	760,944,716
Total equity	826,645,728	792,064,716

....
Deepak Kumar Seth
Director

....
Krishna Kanodia
Director

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

	Hedging reserve HK$	Fair value reserve of financial assets at fair value through other comprehensive income HK$	Contribution from the ultimate holding company HK$	Retained profits HK$	Total
1 April 2023	(80,863)	3,989,597	3,462,555	767,590,464	774,961,753
Profit for the year	-	-	-	63,442,996	63,442,996
Other comprehensive income/(loss) for the year:					
Remeasurement of defined plans, net of tax	-	-	-	862,780	862,780
Cash flow hedges, net of tax	(1,236,947)	-	-	-	(1,236,947)
Total comprehensive income for the year	(1,236,947)	-	-	64,305,776	63,068,829
Interim 2024 dividend paid	-	-	-	(77,800,000)	(77,800,000)
Equity-settled share-based payment arrangements	-	-	714,134	-	714,134
At 31 March 2024	(1,317,810)	3,989,597	4,176,689	754,096,240	760,944,716

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

	Hedging reserve HK$	Fair value reserve of financial assets at fair value through other comprehensive income HK$	Contribution from the ultimate holding company HK$	Retained profits HK$	Total
1 April 2024	(1,317,810)	3,989,597	4,176,689	754,096,240	760,944,716
Profit for the year	-	-	-	103,337,478	103,337,478
Other comprehensive loss for the year:					
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	-	(4,108,971)	-	-	(4,108,971)
Remeasurement of defined plans, net of tax	-	-	-	(195,775)	(195,775)
Cash flow hedges, net of tax	(2,773,307)	-	-	-	(2,773,307)
Total comprehensive income for the year	(2,773,307)	(4,108,971)	-	103,141,703	96,259,425
Interim 2025 dividend paid	-	-	-	(62,240,000)	(62,240,000)
Equity-settled share-based payment arrangements	-	-	561,587	-	561,587
At 31 March 2025	(4,091,117)	(119,374)	4,738,276	794,997,943	795,525,728

41. COMPARATIVE AMOUNTS

Certain comparative amounts of the consolidated statement of financial position have been restated due to the finalisation of the purchase price allocation for an associate as disclosed in note 15 to the financial statements.

42. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 15 May 2025.

ONLINE ENTERPRISE HK LIMITED

Formerly known as
"PDS DESIGN SERVICES LIMITED"
AND
"PDS ONLINE ENTERPRISE HK LIMITED"

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

I, the undersigned, do hereby certify that I have examined this with its original and that the same is a true and complete copy of the original.

CHOW TSZ KIT CPA (Practising), ACA
Chartered Accountant
Certified Public Accountant (Practising), Hong Kong
Practising Certificate Number: P08162
Date: 14 MAY 2025

Certified Public Accountants (Practising) CHOW TSZ KIT

CHOW TSZ KIT
Certified Public Accountant (Practising)

ONLINE ENTERPRISE HK LIMITED

Contents **Page no**

ONLINE ENTERPRISE HK LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the audited consolidated financial statements for the year ended 31 March 2025.

Change of names

Pursuant to a special resolution passed on 21 June 2024, the name of the company was changed to PDS Online Enterprise HK Limited.

Pursuant to a special resolution passed on 26 February 2025, the name of the company was changed to Online Enterprise HK Limited.

Principal activities

The principal activities of the Group is trading of garments. The activities of its principal subsidiaries are set out in the note to the consolidated financial statement

Dividends

The Directors do not recommend the payment of any dividend.

Share capital

Details of the share capital are summarised in the notes to consolidated financial statements.

Directors

The Directors of the Company during the year and up to the date of this report were:

Mohandas THEKKEYIL
Suresh Mahadev PUNJABI
Abhishekh KANOI

The appointment of Directors is governed by the Company's Articles of Association.

The name of Directors who have served on the board of the Company's subsidiaries during the financial year and up to the date of this report were:

Abhishekh Kanoi
Sagarkumar Satyanarayan Ballari
Andrew Michael Reaney
Roland Tamas Seregi
Vikesh Jain

Business review

The Group is a wholly-owned subsidiary of another body corporate. Accordingly, the Group is exempted from preparing a business review.

ONLINE ENTERPRISE HK LIMITED

DIRECTORS' REPORT

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

No transactions, arrangements and contracts of significance in relation to the Company's business of which the Company or any of its group companies was a party subsisted at the end of the year or at any time during the year in which any Directors of the Company had a material interest.

Directors' interests in shares and debentures of the Company or specified undertaking of the Company or any other associated corporation

At no time during the year was the Company or any of its group companies, a party to any arrangement to enable any of the Director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Equity-linked agreements

The Group had not entered into any equity-linked agreements during the year.

Permitted indemnity provisions

The Company's Articles of Association provides that a director or former director of the Company may be indemnified out of the Company's assets against any liability incurred by the director to a person other than the Company or an associated company of the Company in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability set out in the Company's Articles. This permitted indemnity provision is in force during the year and at the time of approval of this report.

Auditor

A resolution to re-appoint the retiring auditor, Chow Tsz Kit, Certified Public Accountant (Practising), will be put at the forthcoming annual general meeting.

On behalf of the Board

Mohandas THEKKEYIL
Director

HONG KONG, 14 MAY 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ONLINE ENTERPRISE HK LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the annexed consolidated financial statements of Online Enterprise HK Limited ("the Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 March 2025, and consolidated the statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor ' s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and our Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

/... to be continued

(Continuation)

Responsibilities of Directors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement 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 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

/... to be continued

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ONLINE ENTERPRISE HK LIMITED
(Incorporated in Hong Kong with limited liability)

(Continuation)

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors 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.

The engagement partner on the audit resulting in this independent auditor's report is Chow Tsz Kit (Practising Certificate Number: P08162).

Chow Tsz Kit
Certified Public Accountant (Practising)

HONG KONG, 14 MAY 2025

Room 1324, 13/F.,
Beverley Commercial Centre,
87-105 Chatham Road South,
Tsim Sha Tsui, Kowloon, Hong Kong

ONLINE ENTERPRISE HK LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 HK$	8.12.2022 - 31.3.2024 HK$
Revenue	7	18,244,278	-
Cost of sales		(15,675,661)	-
Gross profit		2,568,617	-
Other revenue	8	24,102	54
Distribution expenses		(8,159)	-
Administrative and operating expenses		(13,813,761)	(18,243)
Loss before taxation	9	(11,229,201)	(18,189)
Income tax	11	-	-
Loss for the year / period		(11,229,201)	(18,189)
Other comprehensive income			
Items that may be reclassified subsequently to consolidated profit or loss:			
Exchange differences on translation of foreign operation		49,822	-
Other comprehensive income for the year / period, net of tax		49,822	-
Loss and total comprehensive income for the year / period		(11,179,379)	(18,189)

ONLINE ENTERPRISE HK LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025 HK$	2024 HK$
Non-current assets			
Property, plant and equipment	12	700,550	-
Current assets			
Inventories	13	4,442,615	-
Accounts receivable		3,273,175	-
Prepayments, deposits and other receivables		970,547	-
Amounts due from fellow subsidiaries	14	15,744	-
Cash and bank balances		6,496,485	67,611
		15,198,566	67,611
Current liabilities			
Accounts payable		3,786,014	-
Accruals and other payables		2,407,882	8,000
Amounts due to fellow subsidiaries	15	20,824,988	-
		27,018,884	8,000
Net current (liabilities) / assets		(11,820,318)	59,611
Net assets		(11,119,768)	59,611
Equity			
Share capital	16	77,800	77,800
Reserves	18	(11,197,568)	(18,189)
		(11,119,768)	59,611

Mohandas THEKKEYIL
Director

Abhishekh KANOI
Director

ONLINE ENTERPRISE HK LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$	Exchange reserves HK$	Accumulated losses HK$	Total HK$
At 8.12.2022 (date of incorporation)	77,800	-	-	77,800
Loss and total comprehensive income for the period	-	-	(18,189)	(18,189)
At 31.3.2024 and 1.4.2024	77,800	-	(18,189)	59,611
Loss and total comprehensive income for the year	-	49,822	(11,229,201)	(11,179,379)
At 31.3.2025	77,800	49,822	(11,247,390)	(11,119,768)

ONLINE ENTERPRISE HK LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$	8.12.2022 - 31.3.2024 HK$
Cash flows from operating activities		
Loss before taxation	(11,229,201)	(18,189)
Adjustment for:		
Interest income	(5,002)	-
Depreciation	186,487	-
Operating loss before working capital changes	(11,047,716)	(18,189)
Increase in inventories	(4,442,615)	-
Increase in accounts receivable	(3,273,175)	-
Increase in prepayments, deposits and other receivables	(970,547)	-
Increase in accounts payable	3,786,014	-
Increase in accruals and other payables	2,399,882	8,000
Net cash used in operating activities	(13,548,157)	(10,189)
Cash flows from investing activities		
Interest received	5,002	-
Purchase of property, plant and equipment	(902,661)	-
Advance to fellow subsidiaries	(1,673)	-
Net cash used in investing activities	(899,332)	-
Cash flows from financing activities		
Issuance of share capital	-	77,800
Advance from fellow subsidiaries	20,824,988	-
Net cash generated from financing activities	20,824,988	77,800
Net increase in cash and cash equivalents	6,377,499	67,611
Cash and cash equivalents at beginning of year / period	67,611	-
Effect of foreign exchange rate changes	51,375	-
Cash and cash equivalents at end of year / period	6,496,485	67,611
Analysis of cash and cash equivalents		
Cash and bank balances	6,496,485	67,611

ONLINE ENTERPRISE HK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 General information

The Company is a private company incorporated and domiciled in Hong Kong with limited liabilities, its registered office and principal place of business at 7/F., Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Directors consider that the immediate holding company is PDS Sourcing Limited, a private company incorporated in Mauritius.

The Directors consider that the intermediate holding company is Multinational Textile Group Limited, a private company incorporated in Mauritius.

PDS Limited, a company incorporated in India and the shares are listed on the Bombay Stock Exchange (Stock code: 538730) and National Stock Exchange of India (Stock code: PDSL), is the Company's ultimate holding company.

The principal activities of the Group is trading of garments. The activities of its principal subsidiaries are set out in the note to the consolidated financial statement

2 Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (" HKFRSs "), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

Going concern

As at 31 March 2025, there was a deficit on Shareholder's funds of HK$11,119,768.

The immediate holding company has confirmed its present intention to provide financial support to the Group to enable it to meet its liabilities as and when they fall due and to enable the Group to continue business for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3 Basis of preparation

These consolidated financial statements are prepared under the historical cost convention.

4 Adoption of new and revised Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new and revised HKFRSs that are first effective for the current accounting period of the Group. The adoption of these HKFRSs has no material impact on these consolidated financial statements.

The Group has not applied the new or revised HKFRSs that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

5 Significant accounting policies

a Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing whether the Group has power, only substantive rights are considered.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The gain or loss on the disposal of a subsidiary that result in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Group ' s share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

5 Significant accounting policies - Continued

a Basis of consolidation - Continued

In the Company's statement of financial position, investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

b Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the respective accounting policy. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

c Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortisation and depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Assets are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method at the following annual rates:

5 Significant accounting policies - Continued

c Property, plant and equipment - Continued

Leasehold improvements	Over the shorter of lease terms or 33.33%
Furniture and fixtures	33.33%
Office equipment	33.33%

The gain or loss arising from derecognition of an item of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in consolidated profit or loss.

d Financial assets

The Group classifies its financial assets in the categories of financial assets at amortised costs and financial assets at FVOCI. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

<u>Financial assets at amortised costs</u>

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

5 Significant accounting policies - Continued

e Revenue recognition

Major categories of revenue are recognised in the consolidated financial statements on the following bases:

Sales of goods are recognised when goods are delivered and title together with risks and rewards of ownership of goods have been passed to the customers.

Interest income is recognised on a time proportion basis on the principal outstanding and at the effective interest rate applicable.

f Receivables

A receivable is recognised when the Group's right to consideration is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

g Financial assets and allowance for expected credit losses

Loss allowances for lifetime expected credit losses on accounts receivable are recognised using a provision matrix as for all outstanding balances over 365 days as at year end.

h Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

i Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits and other short-term highly liquid investments with original maturities of three months or less.

5 Significant accounting policies - Continued

j Impairment of non-financial assets

At the end of each reporting period, assets, other than financial assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. When an indication of impairment exists, the Group estimates the asset's recoverable amount, being the higher of the asset's fair value less costs to sell and its value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount in profit or loss. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss recognised in prior year for an asset is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss.

k Income tax

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in consolidated profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

5 Significant accounting policies - Continued

k Income tax - Continued

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in consolidated profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

l Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

m Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances in each entity's financial statements

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

5 Significant accounting policies - Continued

m Foreign currency translation - Continued

(iii) Translation on consolidation

The financial performance and financial position of all the Group's entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

n Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

o Related parties

i A person, or a close member of that person's family, is related to the Group if that person:

a has control or joint control over the Group;

b has significant influence over the Group; or

c is a member of the key management personnel of the Group or the Company's parent.

5 Significant accounting policies - Continued

o Related parties - Continued

ii An entity is related to the Group if any of the following conditions applies:

a The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

b One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

c Both entities are joint ventures of the same third party.

d One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

e The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

f The entity is controlled or jointly controlled by a person identified in (i).

g A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

h The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

6 Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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 below:

6 Critical accounting estimates and judgements - Continued

a Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b Allowance for bad and doubtful debts

The Group makes allowance for bad and doubtful debts based on assessments of the recoverability of the accounts and other receivables, including the current creditworthiness and the past collection history of each debtor. Allowances arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the accounts and other receivables; and doubtful debt expenses in the year in which such estimate has been changed.

7 Revenue

	2025 HK$	8.12.2022 - 31.3.2024 HK$
Sales of garments	18,244,278	-

8 Other revenue

	2025 HK$	8.12.2022 - 31.3.2024 HK$
Bank interest income	626	-
Other interest income	4,376	-
Sundry income	19,100	-
Exchange gain	-	54
	24,102	54

9 Loss before taxation

Loss before taxation is arrived at after charging / (crediting) the following items:

	2025 HK$	8.12.2022 - 31.3.2024 HK$
Auditor's remuneration	12,000	8,000
Staff costs including Directors' emoluments:		
Salaries and allowances	7,837,855	-
Retirement benefits scheme contributions	586,394	-
Rent and rates	375,304	-
Net exchange loss/(gain)	66,506	(54)
Depreciation	186,487	-

10 Directors' remuneration

No emolument was paid or payable during the year to any Directors. (2024: Nil)

11 Income tax

a No provision for Hong Kong profits tax has been made as in the opinion of directors there was no income chargeable to Hong Kong profits tax during the year. (2024: No provision)

Tax charge on assessable profits elsewhere have been calculated at rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

b The reconciliation between income tax expense and accounting loss of the Group in the consolidated financial statements is as follows:

	2025 HK$	8.12.2022 - 31.3.2024 HK$
Loss before taxation	(11,229,201)	(18,189)
Notional tax at the applicable tax rate of 16.5%	(1,852,818)	(3,001)
Tax effect of non-deductible expenses	1,852,818	
Tax effect of unrecognised tax losses	-	3,001
	-	-

11 Income tax - Continued

c No deferred tax has been provided as in the opinion of Directors, no such liability would arise in the foreseeable future. (2024: No provision)

12 Property, plant and equipment

	Leasehold land and buildings HK$	IT and office equipment HK$	Furniture and fixtures HK$	Total HK$
Cost				
At 31.3.2024 and 1.4.2024	-			-
Additions	204,961	556,854	140,846	902,661
Disposals	-	(14,071)	-	(14,071)
At 31.3.2025	204,961	542,783	140,846	888,590
Accumulated depreciation				
At 31.3.2024 and 1.4.2024	-	-	-	-
Charge for the year	80,960	87,033	18,494	186,487
Exchange re-alignment	747	639	167	1,553
At 31.3.2025	81,707	87,672	18,661	188,040
Carrying amounts				
At 31.3.2025	123,254	455,111	122,185	700,550
At 31.3.2024	-	-	-	-

13 Inventories

	2025 HK$	2024 HK$
Finished goods, at cost	4,442,615	-

14 Amounts due from fellow subsidiaries

	2025 HK$	2024 HK$	Maximum balances outstanding during the year HK$
PDS Radius Brands	1,673	-	1,673
PDS Sourcing FZCO	14,071	-	14,071
	15,744	-	

The amounts are unsecured, interest free and has no fixed terms of repayment.

15 Amounts due to fellow subsidiaries

The amounts are unsecured, interest free and has no fixed terms of repayment.

16 Share capital

	2025 HK$	2024 HK$
Issued and fully paid:		
10,000 ordinary shares of US$10,000	77,800	77,800

17 Statement of financial position of the Company

The following is the statement of financial position of the Company. The accounting policies adopted in respect of the investments in subsidiaries as set out in the note to consolidated financial statements.

	2025 HK$	2024 HK$
Non-current assets		
Property, plant and equipment	210,329	-
Investment in a subsidiary	10	-
	210,339	-
Current assets		
Inventories	2,675,242	-
Amounts due from fellow subsidiaries	7,135,635	-
Cash and bank balances	3,182,969	67,611
	12,993,846	67,611
Current liabilities		
Accounts payable	3,622,491	-
Accruals and other payables	1,227,517	8,000
Amounts due to fellow subsidiaries	8,531,812	-
	13,381,820	8,000
Net current (liabilities) / assets	(387,974)	59,611
Net assets	(177,635)	59,611
Equity		
Share capital	77,800	77,800
Reserves	(255,435)	(18,189)
	(177,635)	59,611

Mohandas THEKKEYIL
Director

Abhishekh KANOI
Director

18 Reserves

a Group

The amounts of the Group ' s reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of changes in equity.

b Company

	Accumulated losses HK$
At 8.12.2022 (date of incorporation)	-
Loss and total comprehensive income for the period	(18,189)
At 31.3.2024 and 1.4.2024	(18,189)
Loss and total comprehensive income for the year	(237,246)
At 31.3.2025	(255,435)

19 Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern. The Directors regard total equity as capital, for capital management purposes.

The Group manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analysis.

20 Related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following significant transactions with its related parties:

a Transactions with related parties

	2025 HK$	2024 HK$
Fellow subsidiaries		
- Fund support income	16,577,700	-
- Recharge of administrative expenses	2,777,200	-

20 Related party transactions - Continued

b Key management personnel compensation

The key management personnel of the Group comprises all Directors, details of their emoluments were disclosed in note 10.

21 Financial instruments

a Categories of financial instruments

	2025 HK$	2024 HK$
Financial assets		
Financial assets at amortised costs	10,755,951	67,611
Financial liabilities		
Financial liabilities at amortised costs	27,018,884	8,000

b Financial risk management

The Group's activities exposed it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

i Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has certain exposure to foreign currency risk as some of its financial assets are denominated in currencies other than the functional currency of the Group, mainly United State dollars ("US$"). The Group has not adopted any financial instruments for hedging purposes. However, the Group will constantly assess the foreign exchange risk it encounters so as to decide the hedging policy required against the possible foreign exchange risk that may arise.

The Directors consider there are no significant foreign exchange risk with respect to the US$ as HK$ is pegged to US$.

21 Financial instruments - Continued

b Financial risk management - Continued

ii Credit risk

The carrying amounts of accounts receivable, deposits and cash and bank balances included in the consolidated statement of financial position represent the Group ' s maximum exposure to credit risk in relating to the Group's financial assets.

The Group has no concentrations of credit risk. The Group's credit risk is primarily attributable to the accounts and other receivables. It also sets credit limit on each individual customer and prior approval is required for any transaction exceeding that limit. The customer with sound payment history would accumulate a higher credit limit.

At the reporting date, the carrying amount of trade and other receivables is immaterial and their exposures to credit risk are not considered to be significant.

The credit risk on bank balances is limited because the counterparty is a licensed bank in Hong Kong with high credit-ratings.

iii Liquidity risk

All the Group's financial liabilities are due less than one year.

The Group ' s policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

iv Interest rate risk

The Group's exposure to cash flow interest-rate risk arises from its bank balances bearing interests at variable rates varied with the then prevailing market condition. The Directors consider the Group's exposure to cash flow interest rate risk is minimal.

c Fair values

The Directors have considered that the carrying amounts of all financial assets and liabilities approximated to their fair values at 31 March 2025 and 31 March 2024.

22 Subsidiaries

Details of principal subsidiaries as at 31 March 2025 are as follows:

Name	Place of incorporation / establishment and operations	The Group's percentage of ownership interest	Issued and paid up capital	Principal activities
OLE Fashion Limited	United Kingdom	100%	GBP 1	Garment trading
PDS Online Enterprise USA Inc	USA	100%	US$ 100	Garment trading

23 Comparative figures

These consolidated financial statements covered the period from 1 April 2024 to 31 March 2025 and comparative figures covered the period from 8 December 2022 (date of incorporation) to 31 March 2024. Therefore, the figures shown in the consolidated statement of profit or loss and other comprehensive income and related notes are not comparable.

24 Approval of consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 14 MAY 2025

ONME SOHO HEALTH AND BEAUTY FZCO

Audited Financial Statements

For the period August 21, 2024 to March 31, 2025

Table of Contents

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO Ms. Melanie Athalia Wilson
License No		06443

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Perfumeries and cosmetics trading
(b) Beauty and personal care requisites trading
(c) Para-Pharmaceutical Products trading

Business Address	:	Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the period ended March 31, 2025.

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Perfumeries and cosmetics trading

(b) Beauty and personal care requisites trading

(c) Para-Pharmaceutical Products trading

Financial review:

The table below summarizes the results of 2024-25

Particulars	**(figures in AED)** **21.08.2024 to 31.03.2025**
Revenue	-
Net profit/(Loss) for the period	(23,745)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

For ONME SOHO HEALTH AND BEAUTY FZCO

Mr. Rahul Khettry
Authorized Signatory

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
ONME SOHO HEALTH AND BEAUTY FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **ONME SOHO HEALTH AND BEAUTY FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 25th April, 2025

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	(figures in AED) 21.08.2024 to 31.03.2025
Assets		
Non-Current Assets		
Property, Plant and Equipments		-
Total Non-Current Assets	**(A)**	-
Current Assets		
Advances, Deposits and Other Receivables	7	16,960
Cash and Cash Equivalents	8	-
Total Current Assets	**(B)**	**16,960**
Total Assets	**(A+B)**	**16,960**
Equity		
Share Capital	9	100,000
Retained Earnings	10	(23,745)
Shareholder Current Account		(59,295)
Total Equity	**(C)**	**16,960**
Non Current Liabilities	**(D)**	-
Current liabilities		
Trade Payables	11	-
Total Current Liabilities	**(E)**	-
Total Liabilities	**(F)=(D+E)**	-
Total Equity and Liabilities	**(C+F)**	**16,960**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

For ONME SOHO HEALTH AND BEAUTY FZCO

Mr. Rahul Khettry
Authorized Signatory

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	(figures in AED) 21.08.2024 to 31.03.2025
Revenue	13	-
Cost of revenue		-
Gross profit		-
General and administrative expenses	14	(23,745)
Finance Cost		-
Profit/ (Loss) for the period		**(23,745)**
Attributable to:		
- Shareholder of the Company		(23,745)
- Non-controlling interest		-
		(23,745)
Other comprehensive income		
- Items that will not be reclassified subsequent to profit or loss		-
- Items that will be reclassified subsequent to profit or loss		-
Total Comprehensive income for the period		**(23,745)**
Attributable to:		
- Shareholder of the Company		(23,745)
- Non-controlling interest		-
		(23,745)

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

For ONME SOHO HEALTH AND BEAUTY FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Statement of changes in equity for the period ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced on August 21, 2024	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(23,745)	-	**(23,745)**
Net Movements during the Period	-	-	(59,295)	**(59,295)**
Balance as at March 31, 2025	**100,000**	**(23,745)**	**(59,295)**	**16,960**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For ONME SOHO HEALTH AND BEAUTY FZCO

Mr. Rahul Khettry
Authorized Signatory

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Cash Flow Statement for the period ended March 31, 2025

	(figures in AED) 21.08.2024 to 31.03.2025
Cash Flows from operating activities	
Net Profit/ (Loss) for the period	(23,745)
Adjustments:	
Depreciation	-
Financial Charges	-
Net cash from operating activities	**(23,745)**
Changes in working capital	
(Increase)/Decrease in other current assets	(16,960)
Increase/(Decrease) in Other payables	-
Net cash used in operating activities	**(40,705)**
Cash Flow from investing activities	
Purchase of fixed assets	-
Net cash used in investing activities	-
Cash Flows from financing activities	
Share Capital Introduced	100,000
Finance Charges	-
Shareholder Current Account	(59,295)
Net cash generated in financing activities	**40,705**
Net increase in cash and cash equivalents	-
Cash and cash equivalents beginning of period	-
Cash and cash equivalents end of period	-
Represented by:	
Cash Balance	-
Bank Balance	-
	-

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For ONME SOHO HEALTH AND BEAUTY FZCO

Mr. Rahul Khettry
Authorized Signatory

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 LEGAL STATUS :

Onme Soho Health and Beauty FZCO is incorporated on **August 21, 2024 under License No.- 06443 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2.Mr.Sagarkumar Satyanarayan Ballari

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Perfumeries and cosmetics trading

(b) Beauty and personal care requisites trading

(c) Para-Pharmaceutical Products trading

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a net loss of AED 23,746 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	(figures in AED) 21.08.2024 to 31.03.2025
7 Advances, deposits and Trade receivables	
DAFZA Portal Balance	-
Prepaid Expenses	16,960
Other receivables	-
	16,960
8 Cash And Cash Equivalents	
Cash balance	-
Bank balance	-
	-

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	85%	85	85,000
Ms. Melanie Athalia Wilson	United Kingdom	15%	15	15,000
	Total	**100%**	**100**	**100,000**

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

	21.08.2024 to 31.03.2025
10 Retained Earnings	
Balance at the beginning of the Period	-
Profit/(Loss) for the Period	(23,745)
Balance at the end of the Period	**(23,745)**
11 Trade & Other Payables	
Other Payables	-
	-

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

13 Revenue	
Sales	-
	-
14 General & Administrative Expenses	
License Expenses	9,710
Rent Expenses	14,035
	23,745

15 RISK MANAGEMENT

15.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

ONME SOHO HEALTH AND BEAUTY FZCO

Premises No. 2E M067, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

15.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

15.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

16 COMPARATIVE FIGURES

The fiscal period covers the period of 07 months and 11 days from August 21, 2024 to March 31, 2025. Comparative figures are not available as the financial statements are being presented for the first time since incorporation of the Company.

17 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on April 25, 2025.

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For ONME SOHO HEALTH AND BEAUTY FZCO

Mr. Rahul Khettry
Authorized Signatory

AUDITORS' REPORT
&
AUDITED FINANCIAL STATEMENTS
OF
PROGRESS APPARELS (BANGLADESH) LIMITED

AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF PROGRESS APPARELS (BANGLADESH) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Progress Apparels (Bangladesh) Limited which comprise the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the company give a true and fair view, in all material respects, the financial position of the company as at 31 March 2025 of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations 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 judgement and maintain professional skepticism throughout the audit. We also:

a) 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.

Main Office: Gulshan Pink City, Level: 7, Plot # 15, Road # 103, Gulshan, Dhaka-1212, Bangladesh; ☎ +880-2-8881824-6, aqasem@aqcbd.com
Chattogram Office: Faruk Mahal (3rd Floor), Plot # 93, Agrabad C/A, Chittagong-4100, Bangladesh; ☎ +880-31-715656, 718066, aqasemctg@aqcbd.com
Tax & Company Affairs Office: Ivory Krishnachura (5th Floor), 3/1-E, Purana Paltan, Dhaka-1000, Bangladesh; ☎ +880-2-9551103, 9584925, aqasemtax@aqcbd.com

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) Evaluate the overall presentation, structure and content of the Company' 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Zaur Rahman Zia

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC: 2504281259AS164686

Place: Dhaka
Date: 27 April 2025

Progress Apparels (Bangladesh) Limited
Statement of Financial Position
As at 31 March 2025

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
Assets			
Non-current assets			
Property, plant and equipment	4.00	665,964,039	751,043,302
Intangible asset	5.00	18,363,608	3,638,703
Right of use assets	6.00	110,662,928	164,268,338
Capital work in progress	7.00	4,042,129	24,603,008
Deferred tax assets	8.00	56,193,538	58,787,561
		855,226,242	**1,002,340,912**
Current assets			
Inventories	9.00	876,755,054	755,514,076
Advances, deposits and prepayments	10.00	200,310,097	185,594,531
Trade receivables	11.00	66,799,642	6,713,708
Inter-company receivables	12.00	1,227,879,233	594,109,293
Cash and cash equivalents	13.00	338,625,099	221,796,756
		2,710,369,126	**1,763,728,364**
Total assets		**3,565,595,368**	**2,766,069,276**
Shareholders' equity & liabilities			
Shareholders' equity			
Share capital	14.00	4,011,200	4,011,200
Preference share capital	15.00	2,455,324,700	2,455,324,700
Retained earnings	16.00	(1,256,437,027)	(1,548,003,879)
OCI Reserve for actuarial difference		668,844	15,841,973
		1,203,567,717	**927,173,994**
Liabilities			
Long term liabilities			
Post-retirement benefit obligation	17.00	56,372,061	47,765,794
Non-current portion of lease liability	18.00	55,225,793	122,045,809
		111,597,854	**169,811,603**
Current liabilities			
Current portion of lease liability	18.01	64,104,253	59,891,543
Secured short term bank borrowings	19.00	1,100,881,786	687,714,253
Trade payable and other payables	20.00	977,500,874	814,371,059
Inter-company payables	21.00	107,942,884	107,106,824
		2,250,429,797	**1,669,083,679**
Total liabilities		**2,362,027,651**	**1,838,895,282**
Total shareholders' equity & liabilities		**3,565,595,368**	**2,766,069,276**

FOOTNOTES:
1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 35 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC: 2504281259AS164686

Place: Dhaka
Date: 27 April 2025

Muhammad Shahed Mahmud
Managing Director
Progress Apparels (Bangladesh) Limited

Satesh Cherukuri
Chief Financial Officer
Progress Apparels (Bangladesh) Limited

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Progress Apparels (Bangladesh) Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 31 March 2025

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
Revenue			
Export sales	22.00	6,095,873,430	4,572,049,617
Less: Cost of goods sold	23.00	(5,189,613,135)	(3,909,096,089)
Gross profit		**906,260,295**	**662,953,528**
Operating expenses			
Employee benefits expenses	24.00	(350,575,317)	(300,549,259)
General and administrative expenses	25.00	(61,030,282)	(60,552,293)
Commercial expenses - export	26.00	(77,157,190)	(54,505,727)
Training line expenses	27.00	-	(4,621,014)
Operating Profit/(Loss)		**417,497,506**	**242,725,235**
Other income	28.00	12,316,488	5,901,209
Profit/(Loss) before interest and tax		**429,813,994**	**248,626,444**
Finance expenses	29.00	(83,788,234)	(65,033,604)
Profit/(Loss) before tax		**346,025,760**	**183,592,840**
Income tax expenses	30.00	(54,458,908)	(42,852,901)
Profit/(Loss) After tax		**291,566,852**	**140,739,939**
Other comprehensive income			
Actuary difference for the year (net of deferred tax)	31.00	(15,173,128)	2,918,297
Total comprehensive Profit /(Loss) for the year		**276,393,724**	**143,658,236**

FOOTNOTES:
1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 35 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC: 2504281259AS164686

Place: Dhaka
Date: 27 April 2025

Muhammad Shahed Mahmud
Managing Director
Progress Apparels (Bangladesh) Limited

Satesh Cherukuri
Chief Financial Officer
Progress Apparels (Bangladesh) Limited

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Progress Apparels (Bangladesh) Limited
Statement of Changes in Shareholder's Equity
For the year ended 31 March 2025

Amounts in BDT

Particulars	Share capital	Retained earnings	Reserve for actuarial difference	Share money deposits	Preference share capital	Total
Balance as at 31 March 2024	**4,011,200**	**(1,548,003,879)**	**15,841,973**	**-**	**2,455,324,700**	**927,173,994**
Preference share capital						-
Share money deposit						-
Total comprehensive income for the period		291,566,852	(15,173,128)			276,393,723
Balance as at 31 March 2025	**4,011,200**	**(1,256,437,027)**	**668,844**	**-**	**2,455,324,700**	**1,203,567,717**
Balance as at 31 March 2023	**4,011,200**	**(1,688,743,818)**	**12,923,676**	**1,658,173,214**	**776,351,500**	**762,715,772**
Preference share capital					1,678,973,200	1,678,973,200
Share money deposit				(1,658,173,214)		(1,658,173,214)
Total comprehensive income for the period		140,739,939	2,918,297			143,658,236
Balance as at 31 March 2024	**4,011,200**	**(1,548,003,879)**	**15,841,973**	**-**	**2,455,324,700**	**927,173,994**

FOOTNOTES:

1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 35 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC: 2504281259AS164686

Place: Dhaka
Date: 27 April 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Muhammad Shahed Mahmud
Managing Director
Progress Apparels (Bangladesh) Limited

Satesh Cherukuri
Chief Financial Officer
Progress Apparels (Bangladesh) Limited

Progress Apparels (Bangladesh) Limited
Statement of Cash Flows
For the year ended 31 March 2025

	For the year ended	
	31 March 2025	31 March 2024
	BDT	BDT
Cash flows from operating activities		
Profit / (Loss) before tax	346,025,760	183,592,840
Adjustment for non cash items		
Depreciation	158,794,258	171,760,391
Interest income	(12,316,488)	(5,901,209)
Interest expense	18,277,775	18,812,156
	510,781,305	**368,264,178**
Changes in working capital		
(Increase)/decrease in inventories	(121,240,978)	(27,866,304)
(Increase)/decrease in advances, deposits and prepayments	(14,715,566)	(33,160,839)
(Increase)/decrease in trade receivables	(60,085,934)	48,224,658
(Increase)/decrease in inter-company receivables	(633,769,941)	(394,787,421)
Increase/(decrease) in trade and other payable	163,129,815	65,747,443
Increase/(decrease) post-retirement benefit obligation	8,606,267	(2,600,822)
Increase/(decrease) in inter-company payable	836,060	(162,064,745)
Cash generated from operating activities	**(146,458,972)**	**(138,243,852)**
Less: Direct tax	(52,037,880)	(42,462,624)
Net cash flows from operating activities	**(198,496,852)**	**(180,706,476)**
Cash flows from investing activities		
Payment for assets	10,922,608	(14,628,464)
Net cash used in investing activities	**10,922,608**	**(14,628,464)**
Cash flows from financing activities		
Secured short term bank borrowings	413,167,532	170,719,637
Payment for lease liability	(108,764,945)	(96,200,220)
Share Application money received	-	(1,658,173,214)
Redeemable Preference Shares	-	1,678,973,200
Net cash generated by financing activities	**304,402,587**	**95,319,402**
Net change in cash and cash equivalents	**116,828,343**	**(100,015,535)**
Cash and cash equivalents at the beginning of the year	221,796,756	321,812,291
Cash and cash equivalents at the end of the year	**338,625,099**	**221,796,756**
Represented by:		
Cash in hand	206,650	430,354
Bkash account	20,425	20,425
Cash at bank	338,398,024	221,345,977
	338,625,099	**221,796,756**

FOOTNOTES:

1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 35 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC: 2504281259AS164686

Place: Dhaka
Date: 27 April 2025

Muhammad Shahed Mahmud
Managing Director
Progress Apparels (Bangladesh) Limited

Satesh Cherukuri
Chief Financial Officer
Progress Apparels (Bangladesh) Limited

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Progress Apparels (Bangladesh) Limited
Notes to the financial statements
As at and for the year ended 31 March 2025

1.00 Significant accounting policies and other material information

1.01 Company profile

Progress Apparels (Bangladesh) Limited (the "Company") was incorporated in Bangladesh on 12 July 2015 as a private company limited by shares under the Companies Act, 1994 with its registered office located at House N0. 490, Road 8 (East), Baridhara DOHS, Dhaka 1206, The factory is located at MS SFB # 01 & 02 , Adamjee EPZ, Siddhirgonj, Narayangonj 1431, Bangladesh.

1.02 Nature of business

The principal activity of the Company is to manufacture and trade in ready made garments for 100% export.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of compliance

The financial statements of the company have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principles and practice followed in Bangladesh in compliance with The Companies Act 1994.

2.02 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT), which is the Company's functional currency. Financial information presented in BDT have been rounded off to the nearest BDT.

2.03 Use of estimates and judgment

The financial statements was prepared by the management on the basis of best judgments, estimations and assumptions complying the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future years affected.

2.04 Reporting period

The financial report covers the period from 01 April 2024 to 31 March 2025.

2.05 Authorization for issue

The financial statements were authorised for issue by the Board of Directors on, 27 April 2025.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

2.06 Consistency of presentation

The presentation and classification of all items in the financial statements have been retained from one period to another period unless where it is apparent that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies or changes as required by another IFRSs.

2.07 Comparative information

Comparative information has been disclosed in respect of the previous period for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period financial statements. Certain figures for previous period have been rearranged wherever considered necessary, as to ensure better comparability with the current period financial and to comply with relevant IASs.

2.08 Preparation and presentation of financial statements of the company

The Management of the company is responsible for the preparation and presentation of the financial statements of the company.

2.09 Components of the financial statements

According to the International Accounting Standard IAS-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

i) Statement of financial position as at 31 March 2025.
ii) Statement of profit or loss and other comprehensive income for the year ended 31 March 2025.
iii) Statement of changes in shareholder's equity for the year ended 31 March 2025.
iv) Statement of cash flows for the year ended 31 March 2025.
v) Notes to the financials statements including significant accounting policies.

3.00 Summary of significant policies

3.01 Principle of accounting policies

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements.

3.02 Accrual basis of accounting

The financial statements have been prepared, except statements of cash flows, under accrual basis of accounting in accordance with applicable International Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

3.03 Going concern

The financial statements are prepared on a going concern basis. As per management assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the Company's ability to continue as a going concern.

3.04 Statement of cash flows

The Statement of cash flows has been prepared in accordance with the requirements of IAS 7: Statement of cash flows. The cash generating from operating activities has been reported using the indirect method.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

3.05 Accounting policies, changes in accounting estimates and errors

Accounting policies

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its financial statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

Accounting estimates

The preparation of financial statements requires many estimates to be made on the basis of latest available and reliable information.

The effect of a change in accounting estimates should therefore be recognized prospectively.

Prior period errors

A prior period error is where an error has occurred even though reliable information was available when those financial statements were authorized for issue.

3.06 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material. There are no material events after reporting date which required judgement or disclosure in the financial statement.

3.07 Taxation

Current tax

As an export orirnted private limited company, applicable tax rate for the company is 0.60% on gross receipt or 10% on net profit or tax deducted at source- whichever is higher. As tax deducted at source is higher than others, it will be considered as final settlement.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the laws that have been enacted or substantively enacted by the reporting date.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

3.08 Recognition of Property, plant and equipment

Recognition and measurement

According to IAS 16 "Property, Plant and Equipment" items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Part of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

Capital work in progress

Capital work in progress consists of acquisition costs, capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, Capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Company.

Depreciation

No depreciation is charged on capital work in progress (CWIP) as CWIP is not yet available for use. Depreciation on other items of property plant and equipment is recognized on reducing balance or WDV basis over the estimated useful lives of each item of property, plant and equipment. For addition to property, plant and equipment, depreciation method, useful lives and residual balance are reviewed each reporting date and adjusted if appropriate.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment. The depreciation rates for the current period are as follows:

Class of assets	Depreciation rate
Furniture and fixtures	10%
Leasehold improvements	10%
Plant and machineries	10%
Freehold factory building	10%
Motor vehicles	20%
Air conditioners	20%
Electrical installations	20%
Fire Protection & Prevention Equipment's	20%
Office Equipment's	20%
Other Equipment's	20%
Development projects	20%
IT equipment's	30%
Software/ERP	30%

A. QASEM & CO. CHARTERED ACCOUNTANTS GULSHAN DHAKA

3.09 Inventories

Inventories are valued at the lower of cost and net realizable value as per IAS 2, after making due allowance for obsolete, rejection and slow moving items. Cost is valued using weighted average method. Net realizable value is the price at which inventories can be sold in the ordinary course business less the estimated cost of completion and the estimated cost necessary to make the sale.

3.10 Revenue recognition

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-steps model as follows.

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, Revenue arises from the sale of goods and the rendering of services. It is measured at the fair value of consideration received or receivable, excluding taxes, and reduced by any rebates and trade discounts allowed as per IFRS-15.

Revenues are recognized when the risks and rewards of the ownership is transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably and there is no continuing management involvement with the sale of goods or service provided.

3.11 Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'other income' in the statement of profit or loss and other comprehensive income.

3.12 Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24 "Related Party Disclosures".

3.13 Foreign currency transactions

Foreign currency transactions are translated into Bangladesh Taka at the rate ruling on the transaction date. All monetery assets and liabilities at the statement of financial postion date are retranslated using rates prevailing on the date. This treatment is in accordence with IAS -21: The effects of changes in foreign exchange rates, which requires all differnces arising from foreign exchange transactions to be recogized in the comprehesive income statment. The closing exchange rate is considered as USD 1 = 121.52.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

3.14 Financial Instruments

Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at banks which are held and available for use by the company without any restriction. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivable represents the amounts due from export customers. Accounts receivable stated at original invoice amount without making any provision for doubtful debts, because of the fact that exports are being based on 100% confirmed letter of credit basis with fixed maturity dates/signed sales contract or buyer's P.O.

Trade and other payables

Trade and other payables are recognized when its contractual obligations arising from past events are certain and settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

3.15 Provisions and contingencies

A provision is recognised on the date of statement of financial position if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more future events beyond the control of the company. The company does not recognise a contingent liability but discloses its existence separately in the financial statements.

3.16 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share money deposit and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

3.17 General comments and obligations

a. All figures have been rounded off to the nearest BDT;

b. Previous year's figures and head of accounts in the financial statements have been re-arranged to confirm to current year's presentation wherever necessary.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

4.00 Property, plant and equipment

Amounts in BDT

Particulars	Cost				Rate (%)	Depreciation				Written Down Value
	Opening blance	Addition during the year	Disposal for the year	Closing balance		Opening balance	Charged for the year	Disposal for the year	Closing balance	
Air conditioners	32,007,503	81,391	(261,000)	31,827,894	20%	18,915,161	2,622,682	(197,253)	21,340,591	10,487,303
Electrical installations	115,840,169	968,867	(268,309)	116,540,727	20%	77,158,799	7,909,468	(160,352)	84,907,915	31,632,812
Fire protection & prevention equipment	51,772,011	1,869,294	-	53,641,305	20%	34,644,484	3,454,185	-	38,098,669	15,542,636
Freehold factory building	121,601,181	1,720,000	-	123,321,181	10%	44,081,097	7,837,773	-	51,918,870	71,402,311
Furniture and fixtures	97,463,145	1,304,297	(2,007,090)	96,760,351	10%	40,219,146	5,786,558	(986,549)	45,019,156	51,741,196
IT equipment	45,737,008	4,976,603	(3,596,727)	47,116,884	30%	37,378,410	3,145,676	(3,274,211)	37,249,874	9,867,010
Leasehold improvements	216,410,849	-	-	216,410,849	10%	76,213,406	14,019,744	-	90,233,150	126,177,698
Motor vehicles	236,000	-	-	236,000	20%	136,154	19,969	-	156,123	79,877
Office equipment	6,333,286	641,252	(237,025)	6,737,514	20%	3,743,301	551,259	(160,828)	4,133,732	2,603,782
Other equipment	15,258,684	366,308	(226,800)	15,398,192	20%	8,159,040	1,435,982	(180,812)	9,414,210	5,983,982
Plant and machineries	644,056,471	7,102,152	(29,761,990)	621,396,633	10%	255,024,007	39,017,890	(13,090,695)	280,951,202	340,445,431
Development projects	17,214,397	-	-	17,214,397	20%	17,214,397	-	-	17,214,397	-
As at 31 March 2025	**1,363,930,704**	**19,030,165**	**(36,358,940)**	**1,346,601,929**		**612,887,402**	**85,801,186**	**(18,050,699)**	**680,637,889**	**665,964,039**
As at 31 March 2024	**1,355,255,813**	**12,978,794**	**(4,303,903)**	**1,363,930,704**		**519,978,951**	**96,164,219**	**(3,255,768)**	**612,887,402**	**751,043,302**

5.00 Intangible asset

Amounts in BDT

Particulars	Cost				Rate (%)	Depreciation				Written Down Value
	Opening balance	Addition during the year	Disposal for the period	Closing balance		Opening balance	Charged for the year	Disposal for the year	Closing balance	
Software/ERP	23,209,986	18,279,243	-	41,489,229	30%	19,571,282	3,554,339	-	23,125,621	18,363,608
As at 31 March 2025	**23,209,986**	**18,279,243**	-	**41,489,229**		**19,571,282**	**3,554,339**	-	**23,125,621**	**18,363,608**
As at 31 March 2024	**23,540,251**	-	**(330,265)**	**23,209,986**		**18,342,103**	**1,559,444**	**(330,265)**	**19,571,282**	**3,638,703**

6.00 Right of use assets

Amounts in BDT

Particulars	Cost				Rate (%)	Depreciation				Written Down Value
	Opening balance	Addition during the period	Adjustment for the period	Closing balance		Opening balance	Charged for the period	Disposal for the year	Closing balance	
Right of use assets	493,736,050	33,884,022	-	527,620,072	-	329,467,712	87,489,432	-	416,957,144	110,662,928
As at 31 March 2025	**493,736,050**	**33,884,022**	-	**527,620,072**		**329,467,712**	**87,489,432**	-	**416,957,144**	**110,662,928**
As at 31 March 2024	**493,736,050**	-	-	**493,736,050**		**252,175,216**	**77,292,496**	-	**329,467,712**	**164,268,338**

6.01 Allocation of Depreciation

Allocation of Depreciation	Notes	31-Mar-25	31-Mar-24
Factory overhead	23.04	83,015,939	90,519,020
General & administrative expense	25.00	6,339,586	7,204,643
Total		**89,355,525**	**97,723,663**

7.00 Capital work in progress

	31-Mar-25	31-Mar-24
	BDT	BDT
Opening Balance	24,603,008	13,297,780
Addition during the period	8,151,218	16,508,310
Transfer during the period	(28,712,097)	(5,203,082)
	4,042,129	**24,603,008**

		Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
8.00	**Deferred tax (assets)/ liabilities**			
	Deferred tax from property, plant & equipment (except land)	8.01	10,085,205	20,274,660
	Deferred tax from lease	8.02	(866,712)	(1,766,901)
	Deferred tax from retirement obligations (other than actuarial difference)	8.03	(3,186,886)	(3,637,781)
	Deferred tax from business loss-depreciation	8.04	(62,398,141)	(74,692,465)
	Deferred tax (assets)/ liabilities from operation		**(56,366,534)**	**(59,822,487)**
	Deferred tax liabilities from accumulated actuarial differences		172,995	1,034,925
			(56,193,538)	**(58,787,561)**

			31 March 2025	31 March 2024
8.01	**Deferred tax from Property, Plant & Equipment (except Freehold land)**			
	Carrying amount		684,327,647	754,682,005
	Tax base		(583,475,598)	(551,935,403)
	Taxable/(deductible) temporary difference		**100,852,049**	**202,746,603**
	Tax rate		10%	10%
			10,085,205	**20,274,660**
8.02	**Deferred tax for lease**			
	Carrying amount (net off balance with ROU and lease liability)		(8,667,118)	(17,669,014)
	Tax base		-	-
	Taxable/(deductible) temporary difference		**8,667,118**	**(17,669,014)**
	Tax rate		10%	10%
			(866,712)	**(1,766,901)**
8.03	**Deferred tax from retirement obligations (other than actuarial difference)**			
	Carrying amount		31,868,861	36,377,808
	Tax base		-	-
	Taxable/(deductible) temporary difference		**(31,868,861)**	**(36,377,808)**
	Tax rate		10%	10%
	Total deferred tax (assets)/ liabilities from gratuity liability		**(3,186,886)**	**(3,637,781)**
	Less: Deferred tax assets/(liabilities) from actuarial Gain/(loss)	32.01	-	-
			(3,186,886)	**(3,637,781)**
8.04	**Deferred tax from business loss-depreciation**			
	Carrying amount		-	-
	Tax base		(623,981,406)	(746,924,649)
	Taxable/(deductible) temporary difference		**(623,981,406)**	**(746,924,649)**
	Tax rate		10%	10%
			(62,398,141)	**(74,692,465)**
	Less: Deferred tax assets/(liabilities) from actuarial Gain/(loss)		-	-
			(62,398,141)	**(74,692,465)**

As Per Section 71(4) of Income Tax Act 2023, depreciation allowance is allowed to carry forward for unlimited period till it is fully adjusted.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
9.00 Inventories			
Fabric - body		389,577,130	139,843,518
Fabric - others		58,631,944	34,070,420
Accessories & trims		-	1,909
Accessories & trims Mfg.		51,184,585	25,527,868
Needles		464,037	383,442
Threads		23,951,418	11,916,563
Cartons		6,428,931	5,495,635
Hangers		17,098,956	14,053,201
Zippers		25,543,600	9,254,429
Polybags		3,518,863	3,592,447
Packing materials		38,391,548	33,838,020
Production consumables		679,179	740,914
Fuel		881,299	2,095,676
IT consumables		421,169	330,299
Stationaries and general consumables		1,234,473	1,774,760
Production paper		734,693	641,973
Stores & spare parts		2,929,454	10,049,698
Mechanical, electrical & plumbing		614,356	822,482
Chemical		1,178,354	840,709
Semi finished goods-manufacturing		157,339,708	275,727,952
Finished goods-manufacturing		95,951,356	184,512,161
		876,755,054	**755,514,076**

10.00 Advances, deposits and prepayments

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
Advances to employees		542,696	469,593
Advance Income Tax	10.01	-	-
Advance to suppliers		19,501,403	2,363,385
Prepaid insurance		3,862,405	4,434,879
Export Incentive receivables	10.02	77,990,404	91,888,634
Prepaid expenses		40,577,783	36,116,143
Security deposit- rent		35,187,792	31,843,313
Security deposit- utilities		11,087,820	10,314,309
Security deposit- others		11,559,794	8,164,274
		200,310,097	**185,594,529**

10.01 Advance Income Tax

Opening balance		-	-
Paid during the year		52,037,880	42,462,624
Less: provision for the year		(52,037,880)	(42,462,624)
		-	-

As an export orirnted private limited company, applicable tax rate for the company is 0.60% on gross receipt or 10% on net profit or tax deducted at source- whichever is higher. As tax deducted at source is higher than others, it will be considered as final settlement.

10.02 Export Incentive receivables

Opening balance		91,888,634	64,502,639
Add during the year		14,689,470	39,449,696
Less: Payment Received during the year		(28,587,700)	(12,063,701)
		77,990,404	**91,888,634**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
11.00 Trade receivables			
Arvind lifestyle brands limited		61,771,705	-
Hawes and Curtis		5,027,937	-
Tedy Spa		-	153,707
Lifestyle International Pvt Ltd		-	6,560,001
		66,799,642	**6,713,708**
12.00 Inter-company receivables			
Styleberry Limited		12,572,927	6,587,064
Poeticgem Limited		147,192,258	111,790,781
Poeticgem International Fzco		255,994,985	130,674,556
Progress Manufacturing Group Limited		302,316,292	192,317,032
Krayons Sourcing Limited		221,224,923	36,302,694
Simple Approach Limited		108,495,436	102,374,579
PDS Far-east Limited		179,451,338	14,062,586
Good Earth Apparels Limited		631,074	-
		1,227,879,233	**594,109,293**
13.00 Cash and cash equivalents			
Cash at bank	**13.01**	338,398,024	221,345,976
Cash in hand		206,650	430,354
Bkash account		20,425	20,425
		338,625,099	**221,796,755**
13.01 Cash at bank			
Woori Bank-Main Bank Account (BDT)		22,657	22,800
Woori Bank-Main Bank Account (USD)		-	931
Dutch Bangla-Main Bank Account (BDT)		8,728,254	4,635
HSBC-Main Bank Account (BDT)		2,564,590	763,890
HSBC-Main Bank Account (USD)		42,677	41,924
Sonali Bank Ltd-Main Bank Account (BDT)		70,077	92,499
Commercial Bank Of Ceylon- Main Bank A/C-(BDT)		13,184	15,927
Commercial Bank Of Ceylon- Main Bank A/C-(USD)		1,802	3,197
Commercial Bank Of Ceylon- Main Bank A/C-(OBU)		717	2,220
The CITY Bank - BDT Current - Main Bank A/C		52,754	71,777
BRAC Bank-Main Bank Account (BDT)		44,494	2,044
BRAC Bank-ERQ Bank Account (USD)		41,134,036	32,295,885
City Bank Limited Main Bank Account (USD)		35,233,873	13,189,430
CITY - USD FBPAR - Main Bank A/C		33,773,216	433,798
Fund in transit		10,443,542	-
Fixed deposit with BRAC Bank		206,272,151	174,405,019
		338,398,024	**221,345,976**

Fixed deposit above is given as security against working capital facility with Brac Bank PLC.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
14.00 Share capital			
Authorized capital			
12,00,000 Ordinary Shares of Taka 100 each		120,000,000	120,000,000
78,00,000 Redeemable Preference Shares of Taka 100 each		780,000,000	780,000,000
1,70,00,000 Redeemable Preference Shares of Taka 100 each		1,700,000,000	1,700,000,000
Total		**2,600,000,000**	**2,600,000,000**

The company increased the authorized share capital from BDT 900,000,000 to BDT 2,600,000,000 divided into 26,000,000 shares of BDT 100 each in extra ordinary general meeting on 22 August 2022 and RJSC approved the authorized share capital as on 04 July 2023.

14.01 Issued and paid up capital

Shareholding position as on reporting period was as follows:

Paid up capital	**Equity Shares held**		
Progress Manufacturing Group Limited *(Represented by Mr. Shahed Mahmud)*	**40,091**	4,009,100	4,009,100
Mr. Abhishekh Kanoi	**11**	1,100	1,100
Mr. Pallak Seth	**10**	1,000	1,000
	40,112	**4,011,200**	**4,011,200**

15.00 Redeemable Preference Share

Shareholding position as on reporting date :	**Shares held**		
Progress Manufacturing Group Limited (Represented by Mr. Shahed Mahmud)	24,553,247	2,455,324,700	776,351,500
Add: During the period	-	-	1,678,973,200
	24,553,247	**2,455,324,700**	**2,455,324,700**

Redeemable preference share is shown under equity portion since it was not specified when it will be redeem and the preference shareholder will receive only dividend from the company that is why it is considered as Irredeemable preference share capital.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
16.00 Retained earnings			
Losses for the financial year:			
1) FY - 2015-16		(2,925,393)	(2,925,393)
2) FY - 2016-17		(51,809,634)	(51,809,634)
3) FY - 2017-18		(349,936,908)	(349,936,908)
4) FY - 2018-19		(219,434,462)	(219,434,462)
5) FY - 2019-20		(225,003,643)	(225,003,643)
6) FY - 2020-21		(735,334,031)	(735,334,031)
7) FY - 2021-22		(246,951,703)	(246,951,703)
7) FY - 2022-23		142,651,956	142,651,956
8) FY - 2023-24		140,739,938	140,739,939
9) FY - 2024-25		291,566,852	-
		(1,256,437,027)	**(1,548,003,879)**

Financial year for the Company is set from 1st April to 31st March of the following year, as per NBR letter no. 2833 6162 5430/SA-223(Co.)/2016-2017/ dated: 14.05.2017.

	Notes	31 March 2025	31 March 2024
17.00 Post-retirement benefit obligation			
Plan liability for gratuity	17.01	30,138,908	26,028,554
Plan liability for leave encashment	17.02	26,233,153	21,737,240
		56,372,061	**47,765,794**
17.01 Plan liability for gratuity			
Opening plan liability		26,028,554	27,669,377
Add: Service cost		7,291,302	8,522,012
Add: Interest cost		3,271,789	2,473,642
Less: Benefits paid out		(4,722,784)	(2,287,223)
Add: Actuarial (gain)/loss		(1,729,953)	(10,349,254)
		30,138,908	**26,028,554**
17.02 Plan liability for leave encashment			
Opening plan liability		21,737,240	22,697,239
Add: Service cost		7,368,557	7,321,477
Add: Interest cost		2,732,371	2,029,133
Less: Benefits paid out		(22,335,101)	(16,706,641)
Add: Actuarial (gain)/loss		16,730,086	6,396,032
		26,233,153	**21,737,240**
18.00 Non-current portion of lease liability			
Opening balance		181,937,352	263,828,192
Addition during the period		33,884,022	-
Add: Interest accrued		12,273,618	14,309,381
Less: Paid during the period		(108,764,945)	(96,200,220)
Less: Adjustment for cancelled lease		-	-
Total lease liability at the year end		**119,330,046**	**181,937,352**
Less: Current portion of lease liability	18.01	64,104,253	59,891,543
		55,225,793	**122,045,809**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	As At 31 March 2025 BDT	As At 31 March 2024 BDT
18.01 Current portion of lease liability			
Balance at the year end		119,330,046	181,937,352
Less: Balance payable after 12 month		55,225,793	122,045,809
		64,104,253	**59,891,543**
19.00 Secured short term bank borrowings			
Clean import loan from HSBC, Bangladesh		635,237,942	475,651,871
Short Term Loan- HSBC	19.01	111,798,768	54,700,000
Bank Overdraft OBU A/C- HSBC		42,412,361	740,204
LTAR Loan from - City Bank		154,249,243	93,008,384
City Bank OBU A/C		5,927,136	37,843,169
Upas Loan - Brac Bank		118,498,120	-
Bank Overdraft- BRAC Bank Ltd.		32,758,217	25,770,626
		1,100,881,786	**687,714,253**
19.01 Short Term Loan- HSBC			
Short term loan from HSBC		-	-
Add: Received during the year		111,798,768	54,700,000
		111,798,768	**54,700,000**
20.00 Trade payable and other payables			
Trade payable		469,178,950	448,897,042
Other payables	20.01	508,321,924	365,474,018
		977,500,874	**814,371,059**
20.01 Other payables			
Liability to others		323,517,486	189,727,404
Retention money payable		6,550,555	14,878,218
Wages payable		39,876,741	66,764,654
Salary payable		12,413,826	23,171,953
GR/IR clearing account		79,500,360	47,777,189
Overtime payable		14,708,796	8,016,415
TDS & VDS payable		6,129,205	3,911,908
Expenses payable		159,817	508,260
Employee PF payable		4,309,146	3,095,068
Provision for expenses		21,155,992	4,231,549
Advance from customers		-	3,391,400
		508,321,924	**365,474,018**
21.00 Inter-company payables			
Progress Manufacturing Group Limited		107,106,824	107,106,824
Poeticgem International Limited		836,060	-
		107,942,884	**107,106,824**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
22.00 Revenue			
Export sales		6,081,183,960	4,532,599,921
Export Incentive		14,689,470	39,449,696
		6,095,873,430	**4,572,049,617**
23.00 Cost of goods sold			
Fabrics trims and accessories consumption A/c	23.01	3,503,851,848	2,872,250,048
Add: Direct labour & wages	23.02	1,022,892,744	698,332,226
Add: Commercial expenses for imports	23.03	55,348,463	41,271,167
Add: Factory overhead	23.04	321,780,337	293,450,238
Add: Rev. of FG, stocklot, leftover		-	-
Add: Conversion cost allocated to FG & WIP		78,790,695	(4,820,593)
Total Factory cost		**4,982,664,087**	**3,900,483,085**
Add: Opening work in progress		275,727,952	306,327,451
Less: Closing work in progress		(157,339,708)	(275,727,952)
Cost of goods manufactured		**5,101,052,331**	**3,931,082,585**
Add: Opening stock of finished goods		184,512,161	162,525,665
Less: Closing stock of finished goods		(95,951,356)	(184,512,161)
Cost of goods sold		**5,189,613,135**	**3,909,096,089**
23.01 Fabrics trims and accessories consumption A/c			
Opening Stock as on 1st Apr 2024 (Raw materials)		277,977,453	229,946,778
Purchases during the period		3,840,665,407	2,920,280,722
Closing stock as on 31 Mar 2025 (Raw materials)		(614,791,012)	(277,977,453)
Total Consumption		**3,503,851,848**	**2,872,250,048**
23.02 Direct labour & wages			
AEPZ - subscription for medical centre		2,440,095	2,229,465
AEPZ - worker's welfare fund		1,026,000	936,000
Company's contribution to PF - workers		21,316,492	9,660,170
Festival bonus-workers		50,228,827	37,686,035
Insurance - Workers		1,265,154	223,970
Medical benefits & expenses		830,151	386,309
Workers welfare expenses		1,808,482	1,901,160
Wages		659,236,551	522,159,314
Overtime-worker		279,585,046	117,562,588
Wages leave encashment - workers		5,155,946	5,587,215
		1,022,892,744	**698,332,226**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
23.03 Commercial expense - imports			
Bank charges - Import		14,883,196	10,131,856
C&F charges - import		32,989,961	26,760,827
Insurance - import		7,475,307	4,378,483
		55,348,463	41,271,167
23.04 Factory overhead			
Boiler expenses		-	28,000
Compliance expenses		152,361	36,400
Consumption - plotter/thermo paper		7,365,119	6,823,593
Consumption - needle		1,048,561	843,033
Factory depreciation		83,015,939	90,519,020
Diesel for generator & boiler		23,165,351	21,727,177
Depreciation lease		87,489,432	77,292,496
Electricity expenses		41,013,617	34,224,473
Factory audit - compliance		2,666,542	2,417,275
Factory rent - AEPZ		3,728,354	3,308,794
Factory consumables		8,232,685	7,441,172
Fire extinguisher refilling expenses		156,628	137,665
Handling/transport charges		3,087,000	1,609,760
Housekeeping & cleaning		399,560	388,300
Inspection Fees		13,187,455	8,353,761
Insurance Expenses - IAR& Fire		5,380,866	5,888,102
Loading & unloading charges		2,891,914	2,707,193
License fee		514,390	648,717
MEP & other consumables		4,614,777	6,993,875
Plant and machinery hire charges		9,740,546	7,210,696
Processing charges		-	427,624
Repairs & maintenance - factory building		576,866	1,240,663
Repair & maintenance - machinery		444,659	243,480
Repairs and maintenance - others		306,401	462,080
Spare parts		16,152,237	7,537,432
Water charges		6,449,078	4,939,456
		321,780,337	293,450,238
24.00 Employee benefits expenses			
Salaries		320,716,929	273,541,388
Festival bonus-staff		20,347,600	16,539,950
Gratuity expenses		7,291,302	8,522,012
Leave encashment		2,212,611	1,734,262
Notice pay		6,875	211,647
		350,575,317	300,549,259

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
25.00 General and administrative expenses			
Annual maintenance contract		2,357,882	3,176,171
Admin exp recharges		637,036	426,137
Auditors' remuneration		2,550,700	3,180,700
Automation fees - BEPZA		219,896	170,994
Agent's Commission		-	1,908,324
Communication expenses		1,788,044	1,530,606
Conveyance Expenses		3,609,700	2,667,867
Courier charges		9,195,505	6,596,199
Depreciation		6,339,586	7,204,643
Donations		100,000	-
Electricity expenses		2,617,890	2,184,541
Buyer meeting & inspection expenses		3,267,901	3,050,433
Expatriate work permit and visa charges		423,146	326,123
Unrealized Foreign exchange (gain)/loss - MTM		(19,186,123)	(9,828,519)
Government fees		50,000	1,770,868
Hotel stay charges		673,430	435,391
Iftar expenses		38,060	1,125,291
Insurance expenses		135,976	96,960
Legal & professional charges		2,825,075	1,892,692
Loss on sale of tangible assets		(3,711,342)	896,334
Office consumables		14,859,072	11,819,140
Postage and stamps expenses		97,577	103,950
Printing and stationery		287,004	818,134
Recruitment expenses		25,705	35,000
Repairs and maintenance		608,884	431,334
Repairs & maintenance - computer equipment's		153,882	163,100
Rent Pool Car		3,560,033	3,473,296
Rent - Office		471,600	-
Sample expenses		17,823,877	4,332,600
Service expenses		34,275	242,416
Special event/celebration expenses		-	291,555
Software expenses		91,119	75,548
Staff training expenses		43,263	10,038
Travel expenses		6,968,150	7,871,970
Toll charges		105,935	76,570
Vehicle fuel		1,555,902	1,680,602
Water charges		411,643	315,284
		61,030,282	60,552,293
26.00 Commercial expenses - exports			
Air & sea freight charges		26,925,488	4,444,007
Bank charges- export		869,999	14,649,508
C&F charges - export		45,558,809	32,304,843
Certificate of origin fees		34,678	46,374
Insurance - export		3,768,217	3,060,995
		77,157,190	54,505,727

A. QASEM & CO. CHARTERED ACCOUNTANTS GULSHAN DHAKA

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
27.00 Training line expenses			
Fabric		-	4,621,014
		-	**4,621,014**
28.00 Other income			
Interest on fixed deposit		12,316,488	5,901,209
		12,316,488	**5,901,209**
29.00 Finance expenses			
Bank charges		11,647,598	5,942,644
Interest- term loan		13,673,778	10,935,523
Interest- clean import loan		40,189,082	29,343,281
Interest Lease		12,273,615	14,309,381
Interest expense-gratuity	17.01	3,271,789	2,473,642
Interest expense-leave encashment	17.02	2,732,371	2,029,133
		83,788,234	**65,033,604**
30.00 Income tax expenses			
Current tax expenses	30.01	52,037,880	42,462,624
Deferred tax expenses	30.02	2,421,028	390,278
		54,458,908	**42,852,901**
30.01 Current tax expenses			
Provision for the year		52,037,880	42,462,624
Add: Prior year tax paid in access of provision		-	-
		52,037,880	**42,462,624**
30.02 Deferred tax expenses/(income)			
Closing balance of deferred tax assets from operation		(56,366,534)	(59,822,487)
Less: Opening balance of deferred tax assets from operation		(58,787,561)	(60,212,764)
		2,421,028	**390,278**
31.00 Actuary difference for the year (net of deferred tax)			
Closing balance of OCI for actuarial gain	31.01	668,844	15,841,973
Less: Opening balance of OCI for actuarial gain		15,841,973	12,923,676
		(15,173,128)	**2,918,297**
31.01 Closing balance of OCI for actuarial gain (Net of deferred tax)			
Accumulated Actuarial gain or loss at the opening		15,841,973	12,923,676
Actuarial gain or (loss) for the year		(15,000,133)	3,953,222
Accumulated Actuarial gain or (loss) at the year end		**841,840**	**16,876,898**
Less: deferred tax (assets)/liabilities on actuarial difference		172,995	1,034,925
		668,844	**15,841,973**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

32.00 Related party disclosure

During the period under audit, the Company carried out a number of transactions with related parties in the normal course of business on an arm's length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosure.

			Opening Balance 01 Apr 2024	Transaction during the period	Paid or received during the period	Closing balance as at 31 March 2025
Name of the parties	Type of relation	Nature of transaction	Amounts in BDT			
Progress Manufacturing Group Limited	Parent company	Receivable	192,317,032	2,795,466,701	2,685,467,441	302,316,292
Progress Manufacturing Group Limited	Parent company	(Payable)	(107,106,824)			(107,106,824)
Styleberry Limited	Associate company	Receivable	6,587,064	5,985,863		12,572,927
Peticgem International Limited	Associate company	(Payable)	-	(836,060)		(836,060)
Poeticgem International Fzco	Associate company	Receivable	130,674,556	871,428,819	746,108,390	255,994,985
Good Earth Apparels Limited	Associate company	Receivable	-	2,795,466,701	2,794,835,627	631,074
Poeticgem Limited	Associate company	Receivable	111,790,781	268,120,836	232,719,360	147,192,258
Simple Approach Limited	Associate company	Receivable	102,374,579	863,745,559	857,624,702	108,495,436
PDS Far-east Limited	Associate company	Receivable	14,062,586	489,142,881	323,754,130	179,451,338
Krayons Sourcing Limited	Associate company	Receivable	36,302,694	683,753,274	498,831,046	221,224,923
Techno Design GMBH	Associate company	Receivable	-	23,009,595	23,009,595	-

33.00 Commitments and contingencies

Capital expenditure commitments

The company does not have significant capital commitments as at the financial statement date.

Contingent Liabilities

The Contingent liability of the company, as on close of the period was 501,999,725 Taka /= on account of various LCs opened by the bank in favour of suppliers of raw material, where materials has not yet been received.

34.00 General

34.01 Directors' remuneration for attending board meeting

No Board meeting attendance fee paid by the company.

34.02 Directors' remuneration for special service rendered.

During the audit period no remuneration has been paid to Managing Director and Directors.

34.03 Receivable from Directors

Nothing is receivable from the Director.

34.04 Directors' loan

None of the directors or the managing director of the company has ever taken any loan from the company and thus no interest is recoverable from them.

34.05 Employee information

The company has 492 salaried employees including supervisors & 3442 salaried workers as on 31 March 2025 All of them receives total remuneration in excess of BDT 1,50,000 per

35.00 Events after the reporting period

No significant event has been occurred after the reporting period to the date of signing of the financial statements to be considered for inclusion.

Muhammad Shahed Mahmud
Managing Director
Progress Apparels (Bangladesh) Limited

Satesh Cherukuri
Chief Financial Officer
Progress Apparels (Bangladesh) Limited

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

www.krishna-r.com
rk@krishna-r.com
+91 11 45066434

INDEPENDENT AUDITOR'S REPORT

To

The Members of PANGRAM BRANDS GLOBAL PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pangram Brands Global Private Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its losses including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone financial statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone Ind-AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind-AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and 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 Board of Directors are also 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 Standalone Ind-AS 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 SAs 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 standalone Ind-AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind-AS 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

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- 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 standalone Ind-AS financial statements, including the disclosures and whether the standalone Ind-AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind-AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow, and the Statement of Changes in Equity dealt

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls refer to our separate report in Annexure 2, wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigation which would impact its financial position.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
   iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company:
   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
   v. The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, the company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility, however the same was not enabled from 1 April 2024 to 10 May 2024 for all transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For Krishna R & Associates
Chartered Accountants
FRN: 036571N

Anirudh Gupta

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKF6076

Annexure '1'

(The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Pangram Brands Global Private Limited ("the Company"):

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of the audit, we state that:

i) In respect of the Company's property, plant and equipment, right-of-use assets, and intangible assets:
   a) There are no Property, Plant, and Equipment held by the Company during the current financial year, and accordingly, the requirement to report on clause 3(i)(a) of the Order is not applicable to the Company;
   b) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the company, and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable on the company;
   c) The Company has neither revalued any of its Property, Plant, and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
   d) There are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made thereunder. Accordingly, the requirement to report on 3(i)(d) of the Order is not applicable to the Company.

ii)
   a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
   b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in the aggregate, at any point during the year, from banks on the basis of security of current assets. Accordingly, the requirement to report on 3(ii)(b) of the order is not applicable to the Company.

iii) During the year, the company has not made an investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on 3(iii)(a) to (f) of the Order is not applicable to the Company.

iv) There are no Loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable and accordingly the requirement to report on Clause 3(iv) of the Order is not applicable to the Company.

v) As informed to us, the Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposit within the meaning of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, the requirement to report on 3(v) of the order is not applicable to the Company.

vi) Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014 (as amended from time to time).

vii) In respect of statutory dues:

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities applicable to it. According to the information and explanation given to us based on audit procedure performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year-end for a period of six months from the date they become payable.

b) According to the information and explanations given to us, there is no dues of goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues that have not been deposited on account of any dispute.

viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transactions, previously unrecorded income in the books of accounts, in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on 3(viii) of the order is not applicable to the Company.

ix)

a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable

b) The Company is not declared a wilful defaulter by any bank, financial institution, or other lender.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the Financial Statements of the Company, no funds raised on a short-term basis have not been utilized for long-term purposes.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The company has not raised any loans accordingly, the requirement to report on 3(ix)(f) of the order is not applicable to the Company.

x)

a) The Company has not raised money during the year through an initial public offer or further public offer (including debt instruments) or term loans. Accordingly, the requirement to report on clause 3 (x)(a) of the Order is not applicable.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

xi)

a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.

b) During the year no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, the Company has not received any whistle-blower complaints by the company during the year.

xii) The Company is not a Nidhi Company as per the provision of the Companies Act,2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the company.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

xiii) Transaction with the related parties in compliance with Sections 177 and 188 of the Companies Act 2013, where applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

xiv) The Company is exempted from getting an audit opinion on an internal system commensurate with the size and nature of its business hence reporting under clause 3(xiv) of the Order is not applicable.

xv) During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors. Accordingly, provisions of Section 192 of the Act are not applicable to the company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the requirement to report on 3(xviii) of the order is not applicable to the Company.

xix) On the basis of financial ratio disclosed in the financial statements, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements ,our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The provision of section 135 of the Companies Act, 2013, in relation to corporate social responsibility is not applicable to the company. Accordingly, the requirement to report on 3(xx) of the order is not applicable to the Company.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

Anirudh Gupta

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMN2KF6076

Annexure '2'

The Annexure referred to in paragraph under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls with reference to standalone financial statements of the Company as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements:

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

Anirudh Gupta

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKF6076

Pangram Brands Global Private Limited
Balance Sheet as at March 31, 2025

(Figures in '000')

Particulars	Note	As at 31st March, 2025	As at 31st March, 2024
I. **ASSETS**			
Non-current assets			
Property, plant and equipment		-	-
Financial assets			
Other Financial Asset	3	10.00	-
Deffered Tax Asset	4	50.34	7.55
Total non-current assets		**60.34**	**7.55**
2 **Current assets**			
Inventories		-	-
Financial assets			
Trade receivables		-	-
Cash and cash equivalents	5	323.55	500.00
Current tax assets (net)		-	-
Other current assets	6	5.64	-
Total current assets		**329.19**	**500.00**
Total Assets		**389.52**	**507.55**
II. **EQUITY AND LIABILITIES**			
1 **Equity**			
Equity share capital	7	500.00	500.00
Other equity	8	(145.13)	(21.95)
Total equity		**354.87**	**478.05**
2 **Liabilities**			
(I) **Current liabilities**			
Financial liabilities			
Trade payables		-	-
Other current liabilities	9	8.10	-
Provisions	10	26.55	29.50
Total current liabilities		**34.65**	**29.50**
Total liabilities		**34.65**	**29.50**
Total equity and liabilities		**389.52**	**507.55**

Significant Accounting Policies	2
Notes forming part of the financial statements	12-17

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

Anirudh Gupta
Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNZKF6076
Place: New Delhi
Date: 12/05/2025

Krishna R & Associates New Delhi Chartered Accountants

For and on behalf of Board of Directors of
Pangram Brands Global Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 6533944	DIN 03014466	DIN 06990721

Pangram Brands Global Private Limited

Statement of Profit & Loss for the year ended March 31, 2025

(Figures in '000')

	Particulars	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
I.	**Income**			
	Revenue from operations		-	-
	Other income		-	-
	Total income		-	-
II.	**Expenses**			
	Purchase of Stock-in-trade		-	-
	Changes in inventories		-	-
	Employee benefits expense		-	-
	Finance costs		-	-
	Depreciation and amortization expense		-	-
	Other expenses	11	165.96	29.50
	Total expenses		**165.96**	**29.50**
III.	**Profit /(Loss) before exceptional items and tax**		(165.96)	(29.50)
IV.	**Exceptional items**		-	-
V.	**Profit /(Loss) before tax**		(165.96)	(29.50)
VI.	**Income tax expense**			
	Current tax		-	-
	Deferred tax		(42.79)	(7.55)
	Total income tax expense		**(42.79)**	**(7.55)**
VII.	**Profit/(Loss) for the year**		**(123.18)**	**(21.95)**
VIII.	**Other comprehensive income**		-	-
	Total other comprehensive income for the year		-	-
IX.	**Total comprehensive income for the year (VII + VIII)**		**(123.18)**	**(21.95)**
X.	**Earnings / (Loss) per share**			
	Basic earnings /(loss) per share (INR)		(2.46)	(0.44)
	Diluted earnings /(loss) per share (INR)		(2.46)	(0.44)

Significant Accounting Policies	2
Notes forming part of the financial statements	12-17

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

Krishna R & Associates New Delhi Chartered Accountants

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKF6076

Place: New Delhi

Date: 12/05/2025

For and on behalf of the Board of Directors

Pangram Brands Global Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 6533944	**DIN 03014466**	**DIN 06990721**

Pangram Brands Global Private Limited

Cashflow Statement for the year ended 31 March 2025

(Figures in '000')

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
I. Cash flow from operating activities		
1 Net profit before tax	(165.96)	(29.50)
Adjustment for:		
Finance cost	-	-
Adjustment on account of OCI	-	-
2 Operating profit before working capital change	(165.96)	(29.50)
Adjustments for:		
Other Financial Assets	(10.00)	-
Other current Assets	(5.64)	-
Other current Liabilities	8.10	-
Provisions	(2.95)	29.50
3 Cash generated from operations	(10.49)	29.50
Direct taxes paid	-	-
Net cash flow from operating activities	(176.45)	-
II. Cash flow from investing activities		
Proceed from Investment	-	-
Net cash flow from investing activities	-	-
III. Cash flow from financing activities		
Cash generated from issuance of equity share	-	500
Finance cost	-	-
Net cash flow from financing activities	-	500
IV. Net increase/ (decrease) in cash and cash equivalent	(176.45)	500
Cash and cash equivalent at beginning of the year	500.00	-
Cash and cash equivalent at the end of the year	323.55	500

Significant Accounting Policies 2

Notes forming part of the financial statements 12-17

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

Krishna R & Associates New Delhi Chartered Accountants

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMN2KF6076

Place: New Delhi

Date: 12/05/2025

For and on behalf of Board of Directors of

Pangram Brands Global Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 6533944	DIN 03014466	DIN 06990721

Pangram Brands Global Private Limited
Statement of changes in equity for the period ending 31 March 2025

A) Equity Share Capital (Figures in '000')

Particulars	31st March, 2025		31st March, 2024	
	No. of Share	Amount	No. of Share	Amount
Numbers of Equity Shares outstanding at the beginning	50.00	500.00	-	-
Changes in equity share capital during the year	-	-	50.00	500.00
Balance at the end of the reporting period	**50.00**	**500.00**	**50.00**	**500.00**

B) Other Equity:

Particulars	Reserve & Surplus			
	Revaluation Reserve	Security Premium	Retained Earnings	Total
Balance as at 1st April, 2024	-	-	**(21.95)**	-21.95
Profit/(Loss) for the year	-	-	(123.18)	(123.18)
Other Comprehensive income (net of tax)	-	-	-	-
Transfer to/ (From)	-	-	-	-
Balance as at 31st March, 2025	-	-	**(145.13)**	**(145.13)**

Particulars	Reserve & Surplus			
	Revaluation Reserve	Security Premium	Retained Earnings	Total
Balance as at 12th September, 2023	-	-	-	
Profit/(Loss) for the year	-	-	(21.95)	(21.95)
Other Comprehensive income (net of tax)	-	-	-	-
Transfer to/ (From)	-	-	-	-
Balance as at 31st March, 2024	-	-	**(21.95)**	**(21.95)**

Significant Accounting Policies 2
Notes forming part of the financial statements 12-17

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

Krishna R & Associates New Delhi Chartered Accountants

Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMN2KF6076
Place: New Delhi
Date: 12/05/2025

For and on behalf of the Board of Directors of
Pangram Brands Global Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
(Director)	(Director)	(Director)
DIN 06533944	DIN 03014466	DIN 06990721

Pangram Brands Global Private Limited

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

1. Corporate Profile

Pangram Brands Global Private Limited was incorporated and domiciled in India on September 12, 2023 having its registered office at A-161, 3rd Floor New Friends Colony, New Delhi, 110025. The company is engaged in designing and manufacturing of cloth apparel including source intermediary services to clients in India as well as outside the country.

2. Significant Accounting Policies followed by the Company

2.1. Basis of Preparation of Financial Statements

a) Statement of Compliance with Ind AS

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

b) Historical cost convention

The standalone financial statements have been prepared on the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. Further, the financial statements are presented in ₹, and all values are rounded to the nearest thousand except otherwise stated.

c) Going concern

The Board of Directors of the Company has considered the financial position of the Company as on March 31, 2025 and the financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors has taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.2. Use of estimates and judgements

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized when the results are known/materialized.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

a) Judgements:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the standalone financial statements:

(i). Useful lives of property, plant, and equipment

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b) Estimates and Assumptions:

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 described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

(i). Income taxes

As a company operating in India, the Company is subject to applicable income tax laws. Given the complexity of tax calculations and uncertainties in determining the ultimate tax liability for many transactions, significant judgment is required when calculating the provision for income taxes. The Company records estimated liabilities for anticipated tax issues and adjusts them as necessary based on changes in the final tax outcome. Any differences between the initially recorded amounts and the final tax liability will impact the income tax and deferred tax provisions in the period in which the final determination is made.

(ii). Allowance for doubtful debts

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

(iii). Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(iv). Recoverability of deferred taxes

In the process of evaluating the recoverability of deferred tax assets, the management of the Company assesses the probability of available taxable profit against which losses can be utilized. The realization of deferred tax assets ultimately depends on future taxable income generated during the periods in which temporary differences become deductible. To make this determination, management considers projected future taxable income and tax planning strategies.

(v). Defined benefit plans

The Company has assumes the present value of the liability towards the gratuity, bonus and compensated absences for such employees based on the actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, retirement age, and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is an assumption for the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at the interval in response to demographic changes.

2.3. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realized or intended to be sold or consumed in the normal operating cycle.
ii) Held primarily for the purpose of trading
iii) Expected to be realized within twelve months after the reporting period, or
iv) 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. "

Liabilities:

A liability is current when:

i) It is expected to be settled in the normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

iv) There is no 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.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.5. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments

a) Financial assets

Initial recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognized at fair value. In the case of financial assets recognized at fair value through profit or loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
- Financial asset carried at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting

KRISHNAR & ASSOCIATES New Delhi Chartered Accountants contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair value through profit or loss."

- **Equity investment**

Investments representing equity interest in associates/subsidiaries are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:
(i) The contractual rights to receive cash flows from the asset has expired, or
(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.
All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, security deposits received etc."

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Income and Expense are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.6. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses appropriate valuation techniques in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.7. Revenue recognition

The Company recognizes revenue from contracts with customers when the control of the goods or services is transferred to the customer. The amount of revenue recognized reflects the consideration expected to be received by the Company in exchange for those goods or services. The revenue

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

recognized by the Company does not include statutory levy viz Goods & Services Tax, and is net of the trade discounts.

When a contract includes a variable amount of consideration, the Company estimates the amount of consideration it is likely to receive in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until the end of the contract so that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

a) Sale of Goods

Revenue generated from the Sale of goods is recognized at the point in time when control of the promised goods is transferred to the customer, which satisfies the performance obligation. The recognition of the said revenue is based on the probable flow of the economic benefits to the Company and the reliable measurement of income with no uncertainty for the ultimate revenue collection.

b) Other income

(i) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue or loss in the statement of Profit & Loss.

(iii) Any other income is recognized on an accrual basis.

2.8. Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary items.

(i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(ii) For calculating Diluted Earning per share the amounts utilized in computing basic earnings per share shall include the post-income tax effect of interest and other financing expenses related to dilutive potential equity shares, along with the weighted average number of additional equity shares that would be outstanding in the event of conversion of all dilutive potential equity shares.

2.9. Provision for Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax issues based on estimates of whether

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all temporary deductible differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.10. Provisions and contingent liabilities

Provisions are recognized 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 the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

2.11. Exceptional items

When items of income and expense within the statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional item.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Pangram Brands Global Private Limited

Notes to financial statements for the year ended March 31, 2025

NOTE 3 : OTHER FINANCIAL ASSET

(Figures in '000')

Particulars	As at 31st March, 2025	As at 31st March, 2024
Security Deposit with NSDL	10	
Total	10	-

NOTE 4 : DEFFERED TAX ASSET

Significant components of net deferred tax assets & liabilities as on 31.03.2025

Particulars	As at 31st March, 2024	Recognised through P&L A/c	Recognised through OCI	As at 31st March, 2025
Deferred Tax Liability				
Property, Plant & Equipment and other Intangible assets		-	-	-
Cash flow hedge		-	-	-
Deferred Tax Assets				-
On Account of				
Finance Cost		-	-	-
Carried forward business losses/unabsorbed depreciation	7.55	42.79	-	50.34
Other timing difference		-	-	-
Provision for Employee Benefit Expenses		-	-	-
Deferred Tax Assets (Liability)	7.55	42.79	-	50.34

Significant components of net deferred tax assets & liabilities as on 31.03.2024

Particulars		Recognised through P&L A/c	Recognised through OCI	As at 31st March, 2024
Deferred Tax Liability				
Property, Plant & Equipment and other Intangible assets		-	-	-
Cash flow hedge		-	-	-
Deferred Tax Assets				-
On Account of				
Finance Cost		-	-	-
Carried forward business losses/unabsorbed depreciation		7.55	-	7.55
Other timing difference		-	-	-
Provision for Employee Benefit Expenses		-	-	-
Deferred Tax Assets (Liability)	-	7.55	-	7.55

NOTE 5 : CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balance with Bank		
In Current Accounts	323.55	500
Cash in hand	-	-
(as certified by management)		
Total	323.55	500

NOTE 6 : OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Other Advances	5.642	-
Total	5.642	-

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Pangram Brands Global Private Limited

Notes to financial statements for the year ended March 31, 2025

NOTE 7 : EQUITY SHARE CAPITAL (Figures in '000')

Particulars	As at 31st March, 2025	As at 31st March, 2024
Share Capital		
Authorised		
50,000 Equity shares of Rs. 10/- each	500	500
Issued, Subscribed and Paid -up		
50,000 Equity shares of Rs. 10/- each	500	500
Total	**500**	**500**

7.1 The reconciliation of The number of shares and The amount outstanding is set out below

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Numbers of Equity Shares outstanding at the beginning	50	500	-	-
Add: Equity Shares issued during the year	-	-	50	500
Numbers of Equity Shares outstanding as at the year end	50	500	50	500

7.2 Terms/ Rights attached to Equity shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend (Interim and Final), if any proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

7.3 Equity Shareholding more than 5% of Issued, Subscribed and Fully Paid up.

Particulars	As at 31st March, 2025	
	No. of Shares	Percentage
DBS Lifestyle Private Limited	49.94	99.88%

NOTE 8 : OTHER EQUITY

Particulars	As at 31st March, 2025	As at 31st March, 2024
Reserves and Surplus		
Retained Earning		
Opening Balance	(21.95)	-
Add:For the year	(123.18)	(21.95)
Total	**(145.13)**	**(21.95)**

NOTE 9 : OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Statutory Payable	8.10	-
Total	**8.10**	-

NOTE 10 : PROVISIONS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Audit Fees	26.55	29.50
Total	**26.55**	**29.50**

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Pangram Brands Global Private Limited
Notes to financial statements for the year ended March 31, 2025

NOTE 11: OTHER EXPENSES

(Figures in '000')

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Legal & Professional	95.64	-
Membership & Subcription	28.03	-
Out of Pocket Expense	1.00	-
Bank Charges	0.30	-
ROC Fees	11.50	-
Auditor's Remuneration		
- Audit Fees	29.50	29.50
Total	165.96	29.50

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

12. As per Ind-AS 19 "Employee benefits", the disclosures as defined are given below:

There are no employees in Pangram Brands Private Limited, due to which no employee benefits or any other contribution plans as on 31st March 2025 have been provided or recognized by the Company thus, no disclosures need to be made in this financial statement.

13. As per Ind-AS 33 "Earning Per Share", the disclosures as defined are given below:

Particulars	2024-25	2023-24
Face Value per equity share	100	100
Basic and Diluted Earnings per Share (₹)	(2.46)	(0.44)
Net Profit/(Loss) as per Statement of Profit and Loss attributable to Owners of the Company (₹)	(1,23,176)	(21,950)
Weighted average number of equity shares outstanding during the year	50,000	50,000

Reconciliation of weighted average number of shares outstanding

Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	50,000	50,000
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	50,000	50,000

14. Commitments and Contingent Liabilities as per Ind-AS 37:

There are no contingent liabilities or capital commitments outstanding as on 31st March 2025 upon the entity thus no provisions, contingencies has been disclosed in the books of accounts.

15. Related party Transaction

(i) Name of Related Parties and Key Management personnel

Significant Influence	Nature of Relation
PDS Limited	Ultimate Holding Company
DBS Lifestyle India Private Limited	Holding Company

List of key management personnel	
Bhawnish Suri	Director
Divya Sahni	Director
Rahul Ahuja	Director

(ii) There have been no related parties' transactions entered into by the Company for the years ended March 31, 2025.

(iii) Terms and conditions of transactions with related parties: All transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

PANGRAM BRANDS GLOBAL PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

16. As per Ind-AS 108 "Operating Segments", the disclosures as defined are given below:
All the activities of the entity revolve around this main business. Accordingly, the entity has no identifiable segment reportable under Ind AS 108 - "Operating Segments".

17. No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2025.

As per our report of even date attached

For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNJZKF6076
Place: New Delhi
Date: 12/05/2025

For and on behalf of the Board of Directors of
Pangram Brands Global Private Limited

Rahul Ahuja	Bhawnish Suri	Divya Sahni
Director	Director	Director
DIN 06533944	DIN 03014466	DIN 06990721

Krishna R & Associates
Chartered Accountants

www.krishna-r.com
rk@krishna-r.com
+91 11 45066434

INDEPENDENT AUDITOR'S REPORT

To

The Members of PANGRAM CELEBRITY BRANDS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pangram Celebrity Brands Private Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its losses including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone financial statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone Ind-AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind-AS financial statements does not cover the other information and we do

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind-AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS financial statements that give a true and fair view and 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 Board of Directors are also 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 Standalone Ind-AS 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 SAs 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 standalone Ind-AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind-AS 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.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 standalone Ind-AS financial statements, including the disclosures and whether the standalone Ind-AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind-AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c) The Balance Sheet, the Statement of Profit and Loss (including the Statement of Other

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Comprehensive Income), the Statement of Cash Flow, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls refer to our separate report in Annexure 2, wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigation which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company:

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, the company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility. However, as the Company was incorporated during the year and did not undertake any business operations or transactions, no audit trail entries were generated or maintained during the period under review.

For Krishna R & Associates
Chartered Accountants
FRN: 036571N

Anirudh Gupta

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKE5728

Annexure '1'

(The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Pangram Celebrity Brands Private Limited ("the Company"):

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of the audit, we state that:

i) In respect of the Company's property, plant and equipment, right-of-use assets, and intangible assets:

a) There are no Property, Plant, and Equipment held by the Company during the current financial year, and accordingly, the requirement to report on clause 3(i)(a) of the Order is not applicable to the Company;

b) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the company, and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable on the company;

c) The Company has neither revalued any of its Property, Plant, and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.

d) There are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made thereunder. Accordingly, the requirement to report on 3(i)(d) of the Order is not applicable to the Company.

ii)

a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in the aggregate, at any point during the year, from banks on the basis of security of current assets. Accordingly, the requirement to report on 3(ii)(b) of the order is not applicable to the Company.

iii) During the year, the company has not made an investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on 3(iii)(a) to (f) of the Order is not applicable to the Company.

iv) There are no Loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable and accordingly the requirement to report on Clause 3(iv) of the Order is not applicable to the Company.

v) As informed to us, the Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposit within the meaning of directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, the requirement to report on 3(v) of the order is not applicable to the Company.

vi) Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014 (as amended from time to time).

vii) In respect of statutory dues:

a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value

Krishna R & Co. New Delhi Chartered Accountants added tax, cess and other statutory dues to the appropriate authorities applicable to it. According to the information and explanation given to us based on audit procedure performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year-end for a period of six months from the date they become payable.

b) According to the information and explanations given to us, there is no dues of goods and services tax, provident Fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues that have not been deposited on account of any dispute.

viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transactions, previously unrecorded income in the books of accounts, in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on 3(viii) of the order is not applicable to the Company.

ix)

a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable

b) The Company is not declared a wilful defaulter by any bank, financial institution, or other lender.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the Financial Statements of the Company, no funds raised on a short-term basis have not been utilized for long-term purposes.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The company has not raised any loans accordingly, the requirement to report on 3(ix)(f) of the order is not applicable to the Company.

x)

a) The Company has not raised money during the year through an initial public offer or further public offer (including debt instruments) or term loans. Accordingly, the requirement to report on clause 3 (x)(a) of the Order is not applicable.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

xi)

a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.

b) During the year no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, the Company has not received any whistle-blower complaints by the company during the year.

xii) The Company is not a Nidhi Company as per the provision of the Companies Act,2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the company.

xiii) Transaction with the related parties in compliance with Sections 177 and 188 of the Companies Act 2013, where applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.

xiv) The Company is exempted from getting an audit opinion on an internal system commensurate with the size and nature of its business hence reporting under clause 3(xiv) of the Order is not applicable.

KRISHNA R. & ASSOCIATES New Delhi Chartered Accountants

xv) During the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors. Accordingly, provisions of Section 192 of the Act are not applicable to the company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the requirement to report on 3(xviii) of the order is not applicable to the Company.

xix) On the basis of financial ratio disclosed in the financial statements, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements ,our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The provision of section 135 of the Companies Act, 2013, in relation to corporate social responsibility is not applicable to the company. Accordingly, the requirement to report on 3(xx) of the order is not applicable to the Company.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKE5728

Annexure '2'

The Annexure referred to in paragraph under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act") We have audited the internal financial controls with reference to standalone financial statements of the Company as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements:

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

KRISHNA R & ASSOCIATES * New Delhi * Chartered Accountants

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishna R & Associates
Chartered Accountants
FRN 036571N

Anirudh Gupta
KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Partner
MRN: 553644
Place: New Delhi
Date: 12/05/2025
UDIN: 25553644BMNZKE5728

COMPUTATION

Name Of Assessee	Pangram Celebrity Brands Private Limited
PAN	AAPCP2995M
Registered Address	A-161 Third Floor, New Friends Colony, South Delhi, New Delhi, Delhi, India, 110025
Residential Status	Company
DOI	24-12-2024
Email	bhawnish@gbstd.com
Previous Year Ended	31-Mar-25
Assessment Year	25-26

STATEMENT OF TOTAL INCOME

INCOME FROM BUSINESS \PROFESSION

Net Profit/(Loss) as per Profit & Loss Account

Add : Inadmissible Items

Depreciation as per Companies Act

Interest & Penalty inadmissible u/s 37 of the Income Tax Act

Less: Items to be considered separately/admissible expenses

Interest on IT Refund

Depreciation as per Income Tax Act

INCOME FROM OTHER SOURCE

Interest on IT Refund

Total Income

STATEMENT OF TAXES

Tax on total Income

Surcharge

Cess

Tax Payable

Less: Prepaid Taxes TCS/ TDS

Advance Tax

Tax Payable

Add: Interest u/s: 234B

234C

Less: Self Assessment tax paid

Tax Liability/(Refund Due)

For and on behalf of the Board of Directors

Pangram Brands Global Private Limited

Abhishekh Kanoi	Bhawnish Suri
Director	Director
DIN 03129842	DIN 03014466

Pangram Celebrity Brands Private Limited
Balance Sheet as at March 31, 2025

(Figures in '000')

	Particulars	Note	As at 31st March, 2025
I.	**ASSETS**		
	Non-current assets		
	Property, plant and equipment		
	Financial assets		
	Loans		
	Deffered Tax Asset		
	Total non-current assets		-
2	**Current assets**		
	Inventories		
	Financial assets		
	Trade receivables		
	Cash and cash equivalents		
	Current tax assets (net)		
	Other current assets		
	Total current assets		-
	Total Assets		-
II.	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital	3	
	Other equity		
	Total equity		-
2	**Liabilities**		
(I)	**Current liabilities**		
	Financial liabilities		
	Trade payables		
	Other current liabilities		
	Provisions		
	Total current liabilities		-
	Total liabilities		-
	Total equity and liabilities		-

Significant Accounting Policies	2
Notes forming part of the financial statements	4-9

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta
Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNZKE5728
Place: New Delhi
Date: 12/05/2025

For and on behalf of Board of Directors of
Pangram Celebrity Brands Private Limited

Abhishekh Kanoi	Bhawnish Suri
Director	Director
DIN 03129842	**DIN 03014466**

Pangram Celebrity Brands Private Limited

Statement of Profit and Loss for the period from 24th December 2024 to 31st March 2025

(Figures in '000')

	Particulars	Note	From 24th Dec 2024 to 31st March 2025
I.	**Income**		
	Revenue from operations		
	Other income		
	Total income		
II.	**Expenses**		
	Purchase of Stock-in-trade		
	Changes in inventories		
	Employee benefits expense		
	Finance costs		
	Depreciation and amortization expense		
	Other expenses		
	Total expenses		
III.	**Profit /(Loss) before exceptional items and tax**		
IV.	**Exceptional items**		
V.	**Profit /(Loss) before tax**		
VI.	**Income tax expense**		
	Current tax		
	Deferred tax		
	Total income tax expense		
VII.	**Profit/(Loss) for the year**		
VIII.	**Other comprehensive income**		
	Total other comprehensive income for the year		
IX.	**Total comprehensive income for the year (VII + VIII)**		
X.	**Earnings / (Loss) per share**		
	Basic earnings /(loss) per share (INR)		
	Diluted earnings /(loss) per share (INR)		

Significant Accounting Policies	2
Notes forming part of the financial statements	4-9

As per our report of even date attached

For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

Anirudh Gupta
Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNZKE5728
Place: New Delhi
Date: 12/05/2025

Krishna R & Associates Chartered Accountants New Delhi

For and on behalf of the Board of Directors
Pangram Celebrity Brands Private Limited

Abhishekh Kanoi	**Bhawnish Suri**
Director	Director
DIN 03129842	DIN 03014466

Pangram Celebrity Brands Private Limited

Cashflow Statement for the period ending 31 March 2025

(Figures in '000')

Particulars	For the Year end 31st March, 2025
I. Cash flow from operating activities	
1 Net profit before tax	
Adjustment for:	
Finance cost	
Adjustment on account of OCI	
2 Operating profit before working capital change	-
Adjustments for:	
Provisions	
3 Cash generated from operations	-
Direct taxes paid	-
Net cash flow from operating activities	-
II. Cash flow from investing activities	
Proceed from Investment	
Net cash flow from investing activities	-
III. Cash flow from financing activities	
Cash generated from issuance of equity share	
Finance cost	
Net cash flow from financing activities	-
IV. Net increase/ (decrease) in cash and cash equivalent	-
Cash and cash equivalent at beginning of the year	-
Cash and cash equivalent at the end of the year	-

Significant Accounting Policies 2

Notes forming part of the financial statements 4-9

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKE5728

Place: New Delhi

Date: 12/05/2025

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

For and on behalf of Board of Directors of

Pangram Celebrity Brands Private Limited

Abhishekh Kanoi	Bhawnish Suri
Director	Director
DIN 03129842	DIN 03014466

Pangram Celebrity Brands Private Limited
Statement of changes in equity for the period ending 31 March 2025

A) Equity **Share** Capital

(Figures in '000')

Particulars	**31st March, 2025**	
	No. of Share	**Amount**
Numbers of Equity Shares outstanding at the beginning		
Changes in equity share capital during the year	10.00	100.00
Balance at the end of the reporting period	10.00	100.00

B) **Other** Equity:

Particulars	**Reserve & Surplus**			
	Revaluation Reserve	**Security Premium**	**Retained Earnings**	Total
Balance as at 24th December, 2024	-	-	-	
Profit/(Loss) for the year	-	-		
Other Comprehensive income (net of tax)	-	-		-
Transfer to/ (From)	-			
Balance as at 31st March, 2024	-	-	-	-

Significant Accounting Policies 2

Notes forming part of the financial statements 4-9

As per our report of even date attached

For Krishna R & Associates

Chartered Accountants

FRN NO: 036571N

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

Anirudh Gupta

(Partner)

MRN: 553644

UDIN: 25553644BMNZKE5728

Place: New Delhi

Date: 12/05/2025

For and on behalf of the Board of Directors of
Pangram Brands Global Private Limited

Abhishekh Kanoi	Bhawnish Suri
Director	Director
DIN 03129842	DIN 03014466

Pangram Celebrity Brands Private Limited

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

1. **Corporate Profile**

Pangram Celebrity Brands Private Limited was incorporated and domiciled in India on December 24, 2024 having its registered office at A-161, 3rd Floor New Friends Colony, New Delhi, 110025. The company is engaged in designing and manufacturing of cloth apparel including launch of brands associated with clothing apparel to clients in India as well as outside the country.The company has not commenced any operations during the year but is in process.

2. **Significant Accounting Policies followed by the Company**

2.1. Basis of Preparation of Financial Statements

a) Statement of Compliance with Ind AS

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

b) Historical cost convention

The standalone financial statements have been prepared on the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. Further, the financial statements are presented in ₹, and all values are rounded to the nearest thousand except otherwise stated.

c) Going concern

The Board of Directors of the Company has considered the financial position of the Company as on March 31, 2025 and the financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors has taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.2. Use of estimates and judgements

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized when the results are known/materialized.

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

a) Judgements:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the standalone financial statements:

(i). Useful lives of property, plant, and equipment

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b) Estimates and Assumptions:

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 described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

(i). Income taxes

As a company operating in India, the Company is subject to applicable income tax laws. Given the complexity of tax calculations and uncertainties in determining the ultimate tax liability for many transactions, significant judgment is required when calculating the provision for income taxes. The Company records estimated liabilities for anticipated tax issues and adjusts them as necessary based on changes in the final tax outcome. Any differences between the initially recorded amounts and the final tax liability will impact the income tax and deferred tax provisions in the period in which the final determination is made.

(ii). Allowance for doubtful debts

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

(iii). Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(iv). Recoverability of deferred taxes

In the process of evaluating the recoverability of deferred tax assets, the management of the Company assesses the probability of available taxable profit against which losses can be utilized. The realization of deferred tax assets ultimately depends on future taxable income generated during the periods in which temporary differences become deductible. To make this determination, management considers projected future taxable income and tax planning strategies.

(v). Defined benefit plans

The Company has assumes the present value of the liability towards the gratuity, bonus and compensated absences for such employees based on the actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, retirement age, and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is an assumption for the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for specific countries. Those mortality tables tend to change only at the interval in response to demographic changes.

2.3. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

i) Expected to be realized or intended to be sold or consumed in the normal operating cycle.
ii) Held primarily for the purpose of trading
iii) Expected to be realized within twelve months after the reporting period, or
iv) 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. "

Liabilities:

A liability is current when:

i) It is expected to be settled in the normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

iv) There is no 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.5. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments

a) Financial assets

Initial recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially recognized at fair value. In the case of financial assets recognized at fair value through profit or loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial asset carried at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- **Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair value through profit or loss."

- **Equity investment**

Investments representing equity interest in associates/subsidiaries are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:
(i) The contractual rights to receive cash flows from the asset has expired, or
(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

b) **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.
All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, security deposits received etc."

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Income and Expense are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as

KRISHNA R & ASSOCIATES New Delhi Chartered Accountants

finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.6. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses appropriate valuation techniques in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.7. Revenue recognition

The Company recognizes revenue from contracts with customers when the control of the goods or services is transferred to the customer. The amount of revenue recognized reflects the consideration expected to be received by the Company in exchange for those goods or services. The revenue

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

recognized by the Company does not include statutory levy viz Goods & Services Tax, and is net of the trade discounts.

When a contract includes a variable amount of consideration, the Company estimates the amount of consideration it is likely to receive in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until the end of the contract so that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

a) Sale of Goods

Revenue generated from the Sale of goods is recognized at the point in time when control of the promised goods is transferred to the customer, which satisfies the performance obligation. The recognition of the said revenue is based on the probable flow of the economic benefits to the Company and the reliable measurement of income with no uncertainty for the ultimate revenue collection.

b) Other income

(i) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue or loss in the statement of Profit & Loss.

(iii) Any other income is recognized on an accrual basis.

2.8. Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary items.

(i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(ii) For calculating Diluted Earning per share the amounts utilized in computing basic earnings per share shall include the post-income tax effect of interest and other financing expenses related to dilutive potential equity shares, along with the weighted average number of additional equity shares that would be outstanding in the event of conversion of all dilutive potential equity shares.

2.9. Provision for Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax issues based on estimates of whether

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all temporary deductible differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.10. Provisions and contingent liabilities

Provisions are recognized 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 the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

2.11. Exceptional items

When items of income and expense within the statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional item.

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

Pangram Celebrity Brands Private Limited

Notes to Standalone Financial Statements for the period ended 31st March, 2025

NOTE 3 : EQUITY SHARE CAPITAL

Particulars		As at
Particulars		31st March, 2025
Share Capital		
Authorised		
10,000 Equity shares of Rs. 10/- each		100
Issued Share Capital		
10,000 Equity shares of Rs. 10/- each		100
Subscribed but not paid		
Calls unpaid on 10,000 equity shares of INR 10 each		
- Director and Officer		
- Other (10,000 equity shares of INR 10 each)	100	100
Total		

3.1 The reconciliation of The number of shares and The amount outstanding is set out below

Particulars	As at 31st March, 2025	
	No. of Shares	Amount
Numbers of Equity Shares outstanding at the beginning		
Add: Equity Shares issued during the year	10,000	100,000
Numbers of Equity Shares outstanding as at the year end	10,000	100,000

3.2 Terms/ Rights attached to Equity shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend (Interim and Final), if any proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

3.3 Equity Shareholding more than 5% of Issued, Subscribed and Fully Paid up.

Particulars	As at 31st March, 2025	
	No. of Shares	Percentage
DBS Lifestyle Private Limited	4,730.00	47.30%
PDS Limited	2,870.00	28.70%
SIF Business Ventures LLP	1,200.00	12.00%
Navigator Capital Advisor Private Limited	1,200.00	12.00%

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

PANGRAM CELEBRITY BRANDS PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

4. As per Ind-AS 19 "Employee benefits", the disclosures as defined are given below:

   There are no employees in Pangram Celebrity Brands Private Limited, due to which no employee benefits or any other contribution plans as on 31st March 2025 have been provided or recognized by the Company thus, no disclosures need to be made in this financial statement.

5. As per Ind-AS 33 "Earning Per Share", the disclosures as defined are given below

Particulars	2024-25
Face Value per equity share	10
Basic and Diluted Earnings per Share (₹)	
Net Profit/(Loss) as per Statement of Profit and Loss attributable to Owners of the Company (₹)	
Weighted average number of equity shares outstanding during the year	10,000

Reconciliation of weighted average number of shares outstanding

Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10,000
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	10,000

6. **Commitments and Contingent Liabilities as per Ind-AS 37:**

   There are no contingent liabilities or capital commitments outstanding as on 31st March 2025 upon the entity thus no provisions, contingencies has been disclosed in the books of accounts.

7. **Related party Transaction**

(i) Name of Related Parties and Key Management personnel

Significant Influence	Nature of Relation
PDS Limited	Associate Company
DBS Lifestyle India Private Limited	Associate Company

List of key management personnel	
Bhawnish Suri	Director
Abhsishekh Kanoi	Director
Sadik Ismail Sunasara	Director

(ii) The details of the related parties' transactions entered into by the Company for the years ended March 31, 2025 are as follows:

KRISHNA R & ASSOCIATES
New Delhi
Chartered Accountants

PANGRAM CELEBRITY BRANDS PRIVATE LIMITED

(Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2025)

Name of the related party and Nature of the transaction	2024-25
Issuance of Equity Share Capital	
- DBS Lifestyle India Private Limited	47,300
- PDS Limited	28,700
- SJF Business Ventures LLP	12,000
- Navigator Capital Advisor Private Limited	12,000

(iii) Terms and conditions of transactions with related parties: All transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

(iv) In respect of the figures disclosed above:

a) the number of transactions/ balances without giving effect to the Ind AS adjustments on account of fair valuation/ amortization.

8. As per Ind-AS 108 "Operating Segments", the disclosures as defined are given below:
All the activities of the entity revolve around this main business. Accordingly, the entity has no identifiable segment reportable under Ind AS 108 - "Operating Segments".

9. No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2025.

As per our report of even date attached
For Krishna R & Associates
Chartered Accountants
FRN NO: 036571N

Krishna R & Associates New Delhi Chartered Accountants

Anirudh Gupta
(Partner)
MRN: 553644
UDIN: 25553644BMNZKE5728
Place: New Delhi
Date: 12/05/2025

For and on behalf of the Board of Directors of
Pangram Celebrity Brands Private Limited

Abhishekh Kanoi
Director
DIN 03129842

Bhawnish Suri
Director
DIN 03014466

PDS GLOBAL PROCUREMENT SERVICE FZCO

Audited Financial Statements

For the period ended on March 31, 2025

Table of Contents

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	: 1	PDS Multinational FZCO
License No		05624

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Business Address	:	Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	HSBC Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Financial review:

The table below summarizes the results of 2024-25 and 2023-24

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**22.03.2023 to 31.03.2024**
Revenue	4,223,575	268,657
Net profit/(Loss) for the year before tax	1,389,095	(2,163,139)
Net profit/(Loss) for the year after tax	1,297,595	(2,163,139)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

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 Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS GLOBAL PROCUREMENT SERVICE FZCO
DUBAI - U.A.E.

ALIA
Chartered Accountancy

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
PDS Global Procurement Service FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **PDS Global Procurement Service FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

عليـاء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 10th May, 2025

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 22.03.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	(A)	-	-
Current Assets			
Advances, Deposits and Other Receivables	7	3,956,912	173,288
Cash and Cash Equivalents	8	135,140	58,155
Total Current Assets	(B)	4,092,052	231,443
Total Assets	(A+B)	4,092,052	231,443
Equity			
Share Capital	9	100,000	100,000
Retained Earnings		(865,544)	(2,163,139)
Shareholder Current Account		-	-
Total Equity	(C)	(765,544)	(2,063,139)
Non Current Liabilities	(D)	-	-
Current liabilities			
Advance, Trade & Other Payables	10	91,500	3,000
Due to Related Party	11	4,766,096	2,291,582
Total Current Liabilities	(E)	4,857,596	2,294,582
Total Liabilities	(F)=(D+E)	4,857,596	2,294,582
Total Equity and Liabilities	(C+F)	4,092,052	231,443

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

PDS GLOBAL PROCUREMENT SERVICE FZCO DUBAI - U.A.E.

PDS GLOBAL PROCUREMENT SERVICE FZCO
Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 22.03.2023 to 31.03.2024
Revenue	12	4,223,575	268,657
Cost of Revenue		-	-
Gross profit		**4,223,575**	**268,657**
General and Administrative Expenses	13	(2,829,997)	(2,430,812)
Finance Cost		(4,483)	(984)
Profit/ (Loss) For The Year Before Tax		**1,389,095**	**(2,163,139)**
Provision For Corporate Tax		91,500	-
Profit/ (Loss) For The Year After Tax		**1,297,595**	**(2,163,139)**
Attributable to:			
- Shareholder of the Company		1,297,595	(2,163,139)
- Non-controlling interest		-	-
		1,297,595	**(2,163,139)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**1,297,595**	**(2,163,139)**
Attributable to:			
- Shareholder of the Company		1,297,595	(2,163,139)
- Non-controlling interest		-	-
		1,297,595	**(2,163,139)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E. PDS GLOBAL PROCUREMENT SERVICE FZCO

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 ,Second Floor,5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity - for the year ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced March 22, 2023	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(2,163,139)	-	**(2,163,139)**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	**(2,163,139)**	-	**(2,063,139)**
Profit/(Loss) for the year	-	1,297,595	-	**1,297,595**
Net Movements during the year	-	-	-	-
Balance as at March 31, 2025	**100,000**	**(865,544)**	-	**(765,544)**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E.
PDS GLOBAL PROCUREMENT SERVICE FZCO

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 ,Second Floor,5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Cash Flow Statement for the year ended March 31, 2025

	01.04.2024 to 31.03.2025	(figures in AED) 22.03.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the year	1,297,595	(2,163,139)
Adjustments:		
Depreciation	-	-
Financial Charges	4,483	984
Net cash from operating activities	1,302,078	(2,162,155)
Changes in working capital		
(Increase)/ Decrease in Other current assets	(3,783,624)	(173,288)
Increase/(Decrease) in Trade payables	2,563,014	2,294,582
Net cash used in operating activities	**81,468**	**(40,861)**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	(4,483)	(984)
Shareholder Current Account	-	-
Net cash generated in financing activities	**(4,483)**	**99,016**
Net increase in cash and cash equivalents	76,985	58,155
Cash and cash equivalents beginning of the year	58,155	-
Cash and cash equivalents end of the year	135,140	58,155
Represented by:		
Cash Balance	-	-
Bank Balance	135,140	58,155
	135,140	58,155

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E.
GLOBAL PROCUREMENT SERVICE FZCO

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

1 **LEGAL STATUS :**

PDS Global Procurement Service FZCO is incorporated on **March 22, 2023 under License No.- 05624 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 3EA, 233-SD06, Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2 **BUSINESS ACTIVITIES :**

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

3 **Basis of Preparation**

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2025, the company had a net profit of AED 1,297,595 and as on March 31, 2024 company has accumulated net loss of AED 865,544 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 **Significant Accounting Judgments, Estimates And Assumptions**

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

The following amendments which became effective on 1 January 2021 did not have any significant impact on the Company's financial statements:

• Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark - Phase 2 (1 January 2021)

The Company has not early adopted any other amendments, improvements and interpretations that have been issued but is not yet effective

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

- Amendments to IFRS 3 – Reference to Conceptual Framework (1 January 2022)
- Amendments to IAS 37 – Onerous Contracts - Cost of Fulfilling a contract (1 January 2022)
- Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use (1 January 2022)
- Annual Improvements to IFRS Standards 2018-2020 (1 January 2022)
  -IFRS 9 Financial Instruments
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current (1 January 2023)

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

PDS GLOBAL PROCUREMENT SERVICE FZCO
Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

(figures in AED)

	01.04.2024 to 31.03.2025	22.03.2023 to 31.03.2024
7 Advances, Deposits and Trade Receivables		
DIEZ E-Wallet	510	2,895
Trade Receivables	3,905,333	153,948
Prepaid Expenses	51,069	16,445
	3,956,912	**173,288**
8 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	135,140	58,155
	135,140	**58,155**

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	100%	100	100,000
			100	**100,000**

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

10 Trade & Other Payables		01.04.2024 to 31.03.2025	22.03.2023 to 31.03.2024
Other Payables		-	3,000
Corporate Tax provision		91,500	-
		91,500	**3,000**
Net Profit as per books	1,389,095		
CT Provision @ 9%			
Profit upto AED 375,000	-		
> then AED 375,000	91,269		
Corporate Tax	**91,269**		
CT Provision	**91,500**		

11 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Due to Related Party	As on 31.03.25	As on 31.03.24
PDS Limited India	216,550	1,098,832
PDS Multinational FZCO	2,545,304	1,192,750
Norwest Industries Ltd.	1,158,270	-
SNE FZCO	845,972	-
	4,766,096	**2,291,582**

	01.04.2024 to 31.03.2025	22.03.2023 to 31.03.2024
12 Revenue		
Commisison Income	4,223,575	268,657
	4,223,575	**268,657**
13 General & Administrative Expenses		
Salary and Other Employee Benefit Expenses	2,248,962	1,328,517
Staff Welfare Expenses	101,923	5,433
Legal and Professional Expenses	1,690	10,105
Travelling Expenses	145,203	28,934
Other Expenses	268,228	13,638
Rent Expenses	40,695	31,526
Consultancy Expenses	-	988,599
License Expenses	17,185	24,060
Visa Expenses	6,111	-
	2,829,997	**2,430,812**

PDS GLOBAL PROCUREMENT SERVICE FZCO

Premises 5EA 233-SD06 , Second Floor, 5 East A, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

14 Finance Cost	01.04.2024 to 31.03.2025	22.03.2023 to 31.03.2024
Bank Charges	4,483	-
	4,483	-

14 RISK MANAGEMENT

14.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

14.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

14.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

15 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from 01 April 2024, to March 31, 2025. The previous fiscal period covers the period of 12 months & 10 days from 22 March 2023, to March 31, 2024. The Previous year figures have been regrouped or rearranged for classification.

16 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 10, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR PDS GLOBAL PROCUREMENT SERVICE FZCO

Mr. Rahul Khettry
Authorized Signatory

PDS GLOBAL PROCUREMENT SERVICE FZCO
DUBAI - U.A.E.

S.S SURANA & COMPANY
Chartered Accountants

C-102, Lakshchandi Apartments
Krishna Vatika Marg, Gokuldham, Goregaon East
Telephone: 91-9503441199
manojsaraf@sssurana.com
Website: sssurana.com

Independent Auditor's Report

To the Members of PDS Brands Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of PDS Brands Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter
Material Uncertainty related to Going Concern

We draw attention to following:-

- There is complete erosion in Net Worth of the Company for the year under consideration, refer note No. 14 of the financials attached hereto.
- Profit & Loss statement, which indicates that the Company incurred a Net Loss of Rs. 10.04 Lakhs during the year under consideration. The company has no operations and also incurred losses in Financial Year 2023-24, 2022-23 too.

These points indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

S.S. SURANA & CO. FRN-001079C MUMBAI CHARTERED ACCOUNTANTS

4. The Company's Board of Directors are responsible for the other information. The other information does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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 the management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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 Standards on Auditing 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.

8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professionalism 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 whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.

S.S. SURANA & CO
FRN-001079C
MUMBAI
CHARTERED ACCOUNTANTS

- 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.

9. 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.

Report on Other Legal and Regulatory Requirements

10. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

11. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements.

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The financial statements dealt with by this report are in agreement with the books of account.

    d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

    f) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of the Company, are not applicable; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

S.S. SURANA & CO. CHARTERED ACCOUNTANTS FRN-001079C MUMBAI

i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2025.

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025.

iv.

a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement

v. The Company has not declared or paid any dividend during the year ended 31 March 2025.

vi. Proviso to Rule 3(1) of the Companies Act (Accounts) Rule,2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023 on the basis of our examination, which includes test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, Further in the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For **S S Surana & CO**
Chartered Accountants
Firm's Registration No.: 001079C

S.S. SURANA & CO • CHARTERED ACCOUNTANTS • FRN-001079C MUMBAI

Manoj Saraf
Partner
Membership No.: 100785

UDIN: 25100785BMIRAS7910

Place: Mumbai
Date: 14th May 2025

S.S SURANA & COMPANY
Chartered Accountants

C-102, Lakshchandi Apartments
Krishna Vatika Marg, Gokuldham, Goregaon East
Telephone: 91-9503441199
manojsaraf@sssurana.com
Website: sssurana.com

Annexure A referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of PDS Brands Private Limited on the financial statements for the year ended 31 March 2025.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. a. The company does not have any fixed assets and hence Clauses (i) a, b, c, d & e is not applicable

b. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

ii.

a. The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

b. The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us,in our opinion, and according to the information and explanations given to us, The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii.

a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

S.S. SURANA & CO. FRN-001079C MUMBAI CHARTERED ACCOUNTANTS

Annexure A referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of PDS Brands Private Limited on the financial statements for the year ended 31 March 2025

b. According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

ix. According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

x.

a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi.

a. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the company has not entered into any related party transactions.

xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

xvii. The Company has incurred cash losses in the current financial year amounting to Rs.10.04 Lakhs.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

S.S. SURANA & CO. FRN-001079C MUMBAI CHARTERED ACCOUNTANTS

Annexure A referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of PDS Brands Private Limited on the financial statements for the year ended 31 March 2025

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanations given to us, The Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For SS Surana & Co
Chartered Accountants
Firm's Registration No.: 001079C

S.S. SURANA & CO
FRN-001079C
MUMBAI
CHARTERED ACCOUNTANTS

Manoj Saraf
Partner
Membership No.: 100785
UDIN No: 25100785BMIRAS7910

Place: Mumbai
Date: 14th May 2025

PDS Brands Private Limited
Balance Sheet as at March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2025	As at March 31, 2024
Assets			
I. Current assets			
(a) Financial assets			
(i) Investment	4	10.81	111.13
(ii) Cash and cash equivalents	5	0.08	0.77
(c) Other current assets	8	-	0.17
Total current assets		**10.89**	**112.07**
Total assets		**10.89**	**112.07**
II. Equity and liabilities			
Equity			
(a) Equity share capital	6	1.00	1.00
(b) Other equity	7	(12.08)	(2.04)
Total equity		**(11.08)**	**(1.04)**
Current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	9	21.48	113.09
(b) Other current liabilities	10	0.49	0.02
Total current liabilities		**21.97**	**113.11**
Total equity and liabilities		**10.89**	**112.07**

Summary of significant accounting policies and explanatory in 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Surana & Co
Chartered Accountants
Firm Registration No.: 001079C

S.S. SURANA & CO. CA FRN-001079C MUMBAI CHARTERED ACCOUNTANTS

Manoj Saraf
Partner
Membership No. 100785
UDIN:
25100785BMIRAS7810

Mumbai
Dated: May 14, 2025

For and on behalf of Board of Directors of
PDS Brands Private Limited

Raamann Ahuja
Director
DIN 06577212

Mumbai
Dated: May 14, 2025

Abhishekh Kanoi
Director
DIN 03129842

Mumbai
Dated: May 14, 2025

PDS Brands Private Limited

Statement of Profit and Loss for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

	Particulars	Note no.	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from operations		-	-
II	Other income		-	-
III	**Total income (I+II)**		-	-
IV	**Expenses**			
	(a) Other expenses	11	10.04	0.75
	Total expenses (IV)		**10.04**	**0.75**
V	**Loss before tax (III-IV)**		**(10.04)**	**(0.75)**
VI	**Tax expense**		-	-
VII	**Loss for the period (V-VI)**		**(10.04)**	**(0.75)**
VIII	**Other comprehensive income**			
(A)	(i) Items that will not be reclassified to profit or loss		-	-
(B)	(i) Items that will be reclassified to profit or loss		-	-
	Other comprehensive income for the period, net of tax		-	-
IX	**Total comprehensive loss for the period (VII + VIII)**		**(10.04)**	**(0.75)**
X	**Earnings per share: (face value of ₹ 10 per share)**	11		
	1) Basic (amount in ₹)		(100.40)	(7.50)
	2) Diluted (amount in ₹)		(100.40)	(7.50)

Summary of significant accounting policies and explanatory infor 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Surana & Co
Chartered Accountants
Firm Registration No.: 001079C

S.S. SURANA & CO. CHARTERED ACCOUNTANTS FRN-001079C MUMBAI

Manoj Saraf
Partner
Membership No. 100785
UDIN:
25100785BMIRAS9910

Mumbai
Dated: May 14, 2025

For and on behalf of Board of Directors of
PDS Brands Private Limited

Raamann Ahuja
Director
DIN 06577212

Mumbai
Dated: May 14, 2025

Abhishekh Kanoi
Director
DIN 03129842

Mumbai
Dated: May 14, 2025

PDS Brands Private Limited

Statement of changes in equity for the period ended March 31, 2025

(All amounts in ₹ in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount
Balance as at March 31, 2024	10,000	1.00
Equity shares issued during the period	-	-
Balance as at March 31, 2025	10,000	1.00

B. Other equity

Particulars	Total
Balance as at April 01, 2023	**(1.29)**
Loss for the period	**(0.75)**
Balance as at March 31, 2024	**(2.04)**
Loss for the period	(10.04)
Other comprehensive income for the period, net of tax	-
Balance as at March 31, 2025	**(12.08)**

Summary of significant accounting policies and explanatory information thereon 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For and on behalf of Board of Directors of
PDS Brands Private Limited

Firm Registration No.: 001079C

S.S. SURANA & CO. CHARTERED ACCOUNTANTS FRN-001079C MUMBAI

Manoj Saraf
Partner
Membership No. 100785
UDIN:
25100785BMIRAS7010

Mumbai
Dated: May 14, 2025

Raamann Ahuja
Director
DIN 06577212

Mumbai
Dated: May 14, 2025

Abhishekh Kanoi
Director
DIN 03129842

Mumbai
Dated: May 14, 2025

PDS Brands Private Limited

Statement of Cash Flow for the period ended March 31, 2025

(All amounts in ₹ in Lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from operating activities			
Loss before tax		(10.04)	(0.75)
Adjustments		-	
Operating profit before change in working		**(10.04)**	**(0.75)**
Movement in working capital:			
Change in other current financial liabilities		-	-
Change in other current Assets		0.17	(0.17)
Change in Other Financial Liabilities		(91.61)	-
Change in other current Current liabilities		0.47	-
Net cash outflow from operating activities	**(A)**	**(101.01)**	**(0.92)**
Cash flows from investing activities			
Purchase of investments		**100.32**	**(100.32)**
Net cash generated from in investing activities	**(B)**	**100.32**	**(100.32)**
Cash flows from financing activities			
Proceed from issue of equity share capital		-	100.39
Net cash inflow from financing activities	**(C)**	**-**	**100.39**
Net cash generated from in investing			
Net increase in cash and cash equivalents (A+B)		**(0.69)**	**(0.85)**
Cash and cash aquivalents at the beginning of the year (refer note 4)		0.77	1.62
Cash and cash equivalent at the end of the year (refer note 4)		**0.08**	**0.77**
Components of cash and cash equivalents			
Balances with bank - on current account		0.08	0.77
Cash and cash equivalent at the end of the year (refer note 4)		**0.08**	**0.77**

Summary of significant accounting policies and explanatory information thereo 3

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Surana & Co
Chartered Accountants
Firm Registration No.: 001079C

S.S. SURANA & CO. FRN-001079C MUMBAI CHARTERED ACCOUNTANTS

Manoj Saraf
Partner
Membership No. 100785
UDIN:
25100785BMIRAS9910

Mumbai
Dated: May 14, 2025

For and on behalf of Board of Directors of
PDS Brands Private Limited

Raamann Ahuja
Director
DIN 06577212

Mumbai
Dated: May 14, 2025

Abhishekh Kanoi
Director
DIN 03129842

Mumbai
Dated: May 14, 2025

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

I, the undersigned, do hereby certify that I have examined this with its original and that the same is a true and complete copy of the original.

CHOW TSZ KIT CPA (Practising), ACA
Chartered Accountant
Certified Public Accountant (Practising), Hong Kong
Practising Certificate Number: P08162
Date: 14 MAY 2025

Chow Tsz Kit Certified Public Accountants (Practising)

CHOW TSZ KIT
Certified Public Accountant (Practising)

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

Contents	**Page no**

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 March 2025.

Change of company name

By a special resolution, the Company changed it company name to "PDS Central America Limited" on 27 June 2024.

Principal activities

The principal activities of the Company are trading of garments.

Dividends

The Directors do not recommend the payment of any dividend.

Share capital

Details of the share capital are summarised in the notes to financial statements.

Directors

The Directors during the year and up to the date of this report were:

Attignal Narayana Swamy Shree Shyam
Kanodia Krishna
Kanoi Abhishekh
Sunasara Sadikbhai Ismailbhai

The appointment of Directors is governed by the Company's Articles of Association.

Business review

The Company is a wholly-owned subsidiary of another body corporate. Accordingly, the Company is exempted from preparing a business review.

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

DIRECTORS' REPORT

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the company's business

No transactions, arrangements and contracts of significance in relation to the Company's business of which the Company or any of its group companies was a party subsisted at the end of the year or at any time during the year in which any Directors of the Company had a material interest.

Directors' interests in shares and debentures of the company or specified undertaking of the company or any other associated corporation

At no time during the year was the Company or any of its group companies, a party to any arrangement to enable any of the Director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Equity-linked agreements

The Company had not entered into any equity-linked agreements during the year.

Permitted indemnity provisions

The Company's Articles of Association provides that a director or former director of the Company may be indemnified out of the Company's assets against any liability incurred by the director to a person other than the Company or an associated company of the Company in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability set out in the Company's Articles. This permitted indemnity provision is in force during the year and at the time of approval of this report.

Auditor

A resolution to re-appoint the retiring auditor, Chow Tsz Kit, Certified Public Accountants (Practising), will be put at the forthcoming annual general meeting.

On behalf of the Board

Kanoi Abhishekh
Director

HONG KONG, 14 MAY 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the annexed financial statements of PDS Central America Limited ("the Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. 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 HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and our Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

/... to be continued

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")
(Incorporated in Hong Kong with limited liability)

(Continuation)

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors 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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

/... to be continued

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")
(Incorporated in Hong Kong with limited liability)

(Continuation)

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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 the Directors 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.

The engagement partner on the audit resulting in this independent auditor's report is Chow Tsz Kit (Practising Certificate Number: P08162).

Chow Tsz Kit
Certified Public Accountant (Practising)

HONG KONG, 14 MAY 2025

Room 1324, 13/F.,
Beverley Commercial Centre,
87-105 Chatham Road South,
Tsim Sha Tsui, Kowloon, Hong Kong

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 HK$	17.3.2023 - 31.3.2024 HK$
Revenue	5(a)	-	-
Other revenue	8	2	4,663
Administrative and operating expenses		(2,817,170)	(2,663)
(Loss) / profit before taxation	9	(2,817,168)	2,000
Income tax	10	-	-
Loss and total comprehensive income for the year / period		(2,817,168)	2,000

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025 HK$	2024 HK$
Non-current assets			
Property, plant and equipment	11	4,874	-
Current assets			
Amount due from immediate holding company	12	-	802,374
Bank balances		30,120	5,626
		30,120	808,000
Current liabilities			
Amount due to intermediate holding company	12	102,058	-
Amount due to a fellow subsidiary	12	1,526,828	-
Accruals and other payables		443,276	28,000
		2,072,162	28,000
Net current (liabilities) / assets		(2,042,042)	780,000
Net (liabilities) / assets		(2,037,168)	780,000
Equity			
Share capital	13	778,000	778,000
Accumulated (losses) / Retained earnings		(2,815,168)	2,000
		(2,037,168)	780,000

Kahoi Abhishekh
Director

Sunasara Sadikbhai Ismailbhai
Director

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$	Retained earnings / (accumulated losses) HK$	Total HK$
At 10.10.2022 (date of incorporation)	778,000	-	778,000
Loss and total comprehensive income for the period	-	2,000	2,000
At 31.3.2024 and 1.4.2024	778,000	2,000	780,000
Loss and total comprehensive income for the year	-	(2,817,168)	(2,817,168)
At 31.3.2025	778,000	(2,815,168)	(2,037,168)

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$	17.3.2023 - 31.3.2024 HK$
Cash flows from operating activities		
Loss before taxation	(2,817,168)	2,000
Adjustment for:		
Depreciation	436	-
Interest income	-	(408)
Operating (loss) / profit before working capital changes	(2,816,732)	1,592
Increase in accruals and other payables	415,276	28,000
Net cash (used in) / generated from operating activities	(2,401,456)	29,592
Cash flows from investing activities		
Interest received	-	408
Purchase of property, plant and equipment	(5,310)	-
Repayment from / (advance to) a fellow subsidiary	802,374	(802,374)
Net cash generated from / (used in) investing activities	797,064	(801,966)
Cash flows from financing activities		
Issuance of share capital	-	778,000
Advance from intermediate holding company	102,058	-
Advance from a fellow subsidiary	1,526,828	-
Net cash generated from financing activities	1,628,886	778,000
Net increase in cash and cash equivalents	24,494	5,626
Cash and cash equivalents at beginning of year / period	5,626	-
Cash and cash equivalents at end of year / period	30,120	5,626
Analysis of cash and cash equivalents		
Bank balances	30,120	5,626

PDS CENTRAL AMERICA LIMITED
(FOMERLY KNOWN AS "PDS COLLECTIVE SOURCING LIMITED")

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 General information

The Company is a private company incorporated and domiciled in Hong Kong with limited liabilities, its registered office and principal place of business at 7/F., Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Directors consider that the immediate holding company is PDS Sourcing Limited, a private company incorporated in Mauritius.

The Directors consider that the intermediate holding company is Multinational Textile Group Limited, a private company incorporated in Mauritius.

PDS Limited, a company incorporated in India and the shares are listed on the Bombay Stock Exchange (Stock code: 538730) and National Stock Exchange of India (Stock code: PDSL), is the Company's ultimate holding company.

The principal activities of the Company are trading of garments.

2 Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

3 Basis of preparation

a These financial statements have been prepared under the historical cost convention.

b The Company is inactive since incorporation. The immediate holding company has confirmed its present intention to provide financial support to the Company to enable it to meet its liabilities as and when they fall due and to enable the Company to continue business for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

c As at 31 March 2025, there was a deficit on Shareholder's funds of HK$2,037,168.

The holding company has confirmed its present intention to provide financial support to the Company to enable it to meet its liabilities as and when they fall due and to enable the Company to continue business for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

4 Adoption of new and revised Hong Kong Financial Reporting Standards

The Company has not applied the new or revised HKFRSs that have been issued but are not yet effective. The Company is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

5 Significant accounting policies

a Revenue

The Company has no revenue during the year.

b Receivables

A receivable is recognised when the Group's right to consideration is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

c Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

d Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits and other short-term highly liquid investments with original maturities of three months or less.

e Income tax

Income tax expense represents the sum of current tax and deferred tax.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

5 Significant accounting policies - Continued

e Income tax - Continued

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Tax rates enacted or substantively enacted at the end of the reporting period are used to determine deferred tax.
Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

f Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Assets are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method at the following annual rate:

IT equipment	33.33%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss arising from the derecognition of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset and is recognised in profit or loss.

g Impairment of non-financial assets

At the end of each reporting period, assets, other than financial assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. When an indication of impairment exists, the Company estimates the asset's recoverable amount, being the higher of the asset's fair value less costs to sell and its value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount in profit or loss. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss recognised in prior year for an asset is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss.

5 Significant accounting policies - Continued

h Foreign currencies

The financial statements are presented in Hong Kong dollar, which is the same as the functional currency of the Company. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss except for differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

i Related parties

i A person, or a close member of that person's family, is related to the Company if that person:

a has control or joint control over the Company;

b has significant influence over the Company; or

c is a member of the key management personnel of the Company or the Company's parent.

ii An entity is related to the Company if any of the following conditions applies:

a The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

b One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

c Both entities are joint ventures of the same third party.

d One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

e The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.

f The entity is controlled or jointly controlled by a person identified in (i).

g A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

h The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

6 Critical accounting estimates and judgements

The Company makes estimates, assumptions and judgements as appropriate in the preparation of the financial statements. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and will, by definition, seldom equal the actual results. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

7 Directors' remuneration

No emolument was paid or payable during the year to any Directors.

8 Other revenue

	2025 HK$	17.3.2023 - 31.3.2024 HK$
Management fee income	-	4,255
Interest income	-	408
Exchange gain	2	-
	2	4,663

9 (Loss) / profit before taxation

(Loss) / profit before taxation is arrived at after charging the following items:

	2025 HK$	17.3.2023 - 31.3.2024 HK$
Auditor's remuneration	8,000	28,000
Depreciation	436	-
Staff costs including Directors' emoluments:		
Salaries and allowances	614,182	-

During the period ended 31 March 2024, the auditor's remuneration and the incidental expenses were recharged to the immediate holding company.

10 Income tax

a No Hong Kong profits tax has been provided in the financial statements as no assessable profits was earned during the year. (2024: No provision)

b The reconciliation between income tax expense and accounting (loss) / profit of the Company in the financial statements is as follows:

	2025 HK$	17.3.2023 - 31.3.2024 HK$
(Loss) / profit before taxation	(2,817,168)	2,000
Notional tax at the applicable tax rate of 16.5%	(464,832)	330
Tax effect of non-taxable income	-	(769)
Tax effect of non-deductible expenses	464,832	439
	-	-

c No deferred tax has been provided as in the opinion of Directors, no such liability would arise in the foreseeable future. (2024: No provision)

11 Property, plant and equipment

	IT equipment HK$
Cost	
At 17.3.2023, 31.3.2024 and 1.4.2024	-
Additions	5,310
At 31.3.2025	5,310
Accumulated depreciation	
At 17.3.2023, 31.3.2024 and 1.4.2024	-
Charge for the year	436
At 31.3.2025	436
Carrying amounts	
At 31.3.2025	4,874
At 31.3.2024	-

12 Amounts due from / (to) fellow subsidiaries / intermediate holding company

The amounts are unsecured, interest-free and repayable on demand.

13 Share capital

	2025 HK$	2024 HK$
Issued and fully paid:		
100,000 ordinary shares of US$100,000	778,000	778,000

14 Related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the financial statements, the Company had the following significant transactions with its related parties:

a Transactions with related parties

	2025 HK$	17.3.2023 - 31.3.2024 HK$
Immediate holding company		
- Management fee income	-	4,255

b Key management personnel compensation

The key management personnel of the Company comprises all Directors, details of their emoluments were disclosed in note 7.

15 Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern. The Directors regard total equity as capital, for capital management purposes.

The Company manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analysis.

16 Financial instruments

a Categories of financial instruments

	2025 HK$	2024 HK$
Financial assets		
Financial assets at amortised costs	30,120	808,000
Financial liabilities		
Financial liabilities at amortised costs	2,072,162	28,000

b Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

i Credit risk

The carrying amounts of bank balances and amount due from a fellow subsidiary included in the statement of financial position represent the Company's maximum exposure to credit risk in relating to the Company's financial assets.

The credit risk on bank balances is limited because the counterparty is a licensed bank in Hong Kong with high credit-ratings.

The credit risk on amount due from a fellow subsidiary is closely monitored by the Directors.

ii Liquidity risk

All the Company's financial liabilities are due less than one year.

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

iii Interest rate risk

The Company has no significant interest-bearing liability during the period, even at the end of reporting period.

16 Financial instruments - Continued

c Fair values

The Directors have considered that the carrying amounts of all financial assets and liabilities approximated to their fair values at 31 March 2025 and 31 March 2024.

17 Comparative figures

a Certain comparative figures have been re-classified to conform with current year's presentation.

b These financial statements covered the period from 1 April 2024 to 31 March 2025 and comparative figures covered the period from 17 March 2023 (date of incorporation) to 31 March 2024. Therefore, the figures shown in the statement of profit or loss and other comprehensive income and related notes are not comparable.

18 Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 14 MAY 2025

PDS NORTH AMERICA LIMITED

(Incorporated in Hong Kong with limited liability)

REPORT OF THE DIRECTORS

AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

FALCON
Certified Public Accountants
輝勤會計師事務所

PDS NORTH AMERICA LIMITED

CONTENTS

PDS NORTH AMERICA LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and the audited financial statements for the year ended 31 March 2025.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year ended 31 March 2025 was trading in garments and accessories in textiles, fashion and apparel.

RESULTS

The Company's financial performance for the year ended 31 March 2025 and its financial position as at that date are set out in the financial statements on pages 6 to 11.

DIRECTORS

The directors of the Company during the period and up to the date of this report were:

Mohandas Thekkeyil
Suresh Mahadev Punjabi

In accordance with the Company's articles of association, the directors retire and being eligible, will offer themselves for re-election.

PERMITTED INDEMNITY PROVISION

At no time during the period were there any permitted indemnity provisions in force for the benefit of one or more directors of the Company.

DIRECTOR'S INTERESTS

At no time during the period or at the end of the period was the Company, or any of its holding company or fellow subsidiaries a party to any arrangements to enable the Company's directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

The directors had no material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which any of its holding companies or fellow subsidiaries were a party during the period.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period.

AUDITORS

The financial statements have been audited by the Company's auditors, Falcon Certified Public Accountants Limited, who retire and being eligible, offer themselves for re-appointment.

APPROVAL OF DIRECTOR'S REPORT

The report was approved by directors on 14th May 2025.

On behalf of the Board

Mohandas Thekkeyil
Director
Hong Kong, 14th May 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PDS NORTH AMERICA LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of PDS NORTH AMERICA LIMITED ("the Company") set out on pages 6 to 11, which comprise the statement of financial position as at 31st March 2025, and the income statement for the year ended 31st March 2025, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements of the Company for the year ended 31st March 2025 are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standards ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (revised) "Audit of Financial Statements Prepared in accordance with Small and Medium-sized Entity Financial Reporting Standards" issued by the HKICPA. 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 HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the 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 that the Company incurred a net loss of HKD 11,334,963 during the year ended 31st March 2025 and, as at that date, the Company's current liabilities exceeded its total assets by HKD 11,805,593. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the reports of the directors but does not include the financial statements and our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors and 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. This report is made solely to you, as a body corporate, in accordance with section 405 of the Hong Kong Companies Ordinance (Cap 622.) and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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.

We communicate with the directors and those charged with governance, 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.

Falcon Certified Public Accountants Limited
Certified Public Accountants
Hong Kong

Gilbert Loke
Practicing Certificate Number: P40176

Date: 15th May 2025

PDS NORTH AMERICA LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31st MARCH 2025

	Notes	2025 HK$	2024 HK$
Revenue		-	-
Other Income		351	22,694
Administrative expenses		(11,333,124)	(29,655)
Other Operating expenses		(2,190)	-
Profit / (Loss) before taxation	4	(11,334,963)	(6,961)
Income Tax Expense	5	-	-
Profit / (Loss) for the year		**(11,334,963)**	**(6,961)**

The accounting policies and explanatory notes on pages 8 to 11 form part of these financial statements.

PDS NORTH AMERICA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31st MARCH 2025

	Notes	2025 HK$	2024 HK$
ASSETS			
Non-current assets			
Property, Plant and Equipment		50,557	-
		50,557	-
Current assets			
Amount due immediate holding company	6	-	77,800
Amount due from fellow subsidiary	6	-	3,211,772
Cash and cash equivalents		90,498	60,476
		90,498	3,350,048
Current liabilities			
Accruals		874,377	7,700
Amount due to fellow subsidiary	6	11,072,271	3,812,978
		11,946,648	3,820,678
Net current liabilities		(11,856,150)	(470,630)
NET ASSETS / (LIABILITIES)		**(11,805,593)**	**(470,630)**
Equity			
Share capital	8	77,800	77,800
Retained earnings		(11,883,393)	(548,430)
TOTAL EQUITY / (DEFICIT)		**(11,805,593)**	**(470,630)**

The accounting policies and explanatory notes on pages 8 to 11 form part of these financial statements.

Approved by the Board of Directors on 14th May 2025 and are signed on its behalf by:

Approved by:

Mohandas Thekkeyil
Director

Suresh Mahadev Punjabi
Director

Type text here

1. General information

PDS NORTH AMERICA LIMITED ("the Company") is a company incorporated in Hong Kong with limited liability. The company's registered office is located at 7/F, Park Fook Industrial Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

The principal activity of the Company during the period was engaged in trading of garments and accessories in textiles, fashion, and apparels.

The directors consider that the ultimate holding company and immediate holding company are PDS Limited and PDS Sourcing Ltd. respectively. The ultimate holding company is incorporated in India and the immediate holding company is incorporated in Mauritius. The ultimate holding company's shares are listed on the Bombay Stock Exchange and National Stock Exchange in India.

The financial statements are prepared in Hong Kong dollars, which is also the functional currency of the Company.

2. Basis of preparation

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap.622). The Company is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standards ["SME-FRSs"] issued by the Hong Kong Institute of Certified Public Accountants ["HKICPA"].

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern. The measurement base adopted is historical cost convention.

3. Significant Accounting Policies

a. Revenue recognition

Revenue is recognized when it is probable that the economic benefit will flow to the Company and when the revenue can be measured reliably, on the following basis:

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

b. Income tax

Income tax comprised current tax expenses. The income tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income / expense that are taxable / deductible in other years or are never taxable / deductible.

3 Significant Accounting Policies (contd.)

At the end of the reporting period, deferred tax assets have not been recognised in respect of the unused tax losses which are available for offsetting against future taxable profits of the company. Deferred tax assets have not been recognised in respect of these unused tax loss items as it is not considered probable that taxable profits will be available against which these unused tax losses can be utilised.

c. Cash and cash equivalents.

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

d. Translation of foreign currency

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are prepared in Hong Kong dollars, which is also the functional currency of the Company.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

e. Related parties

A party is considered to be related to the Company if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Company;
(ii) has significant influence over the Company; or
(iii) is a member of the key management personnel of the Company or of a parent of the Company.

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Company are members of the same group;
(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the entity)

3 Significant Accounting Policies (contd.)

(iii) the entity and the Company are joint ventures of the same third party.
(iv) one entity is a joint venture of a third entity, and the other entity is an associate of the third entity.
(v) the entity is a post-employment benefit plan for the benefit of the employees of either the Company or an entity related to the Company.
(vi) the entity is controlled or jointly controlled by a pension identified in (a);
(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and the entity or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

4. Profit / (Loss) before taxation.

The Company's profit / (loss) before tax is arrived at after charging / (crediting):

	2025	2024
Charging:	HK$	HK$
Legal & professional fees	40,398	16,450
Consulting fees	482,394	-
Auditor's remuneration	19,200	11,000

5. Income tax expense

The Company is liable for Hong Kong profits tax at the rate of 8.25% on estimated assessable profits arising in Hong Kong during the period.

The Company operations did not generate revenue for the year ended 31st March 2025.

6. Related party transactions

The amount due from fellow subsidiary is unsecured, interest-free and repayable on demand.

Name of the borrower	2025	2024
	HK$	HK$
PDS Sourcing Ltd [1]	-	77,800
Progressive Crussade Unipessoal LDA[2]	-	3,211,772
	-	3,289,572

1. Immediate holding company
2. Connected with immediate holding company, PDS Sourcing Ltd.

6 Related party transactions (contd.)

The amount due to fellow subsidiary is unsecured, interest-free and repayable on demand.

Name of the borrower	2025	2024
	HK$	HK$
Norwest Industries Ltd. [1]	11,072,271	3,812,978
	11,072,271	3,812,978

1. Connected with common shareholder, Multinational Textile Group Limited .

7. Director's remuneration

No fees or other emoluments were paid or payable to the directors during the period.

8. Plant and equipment.

	IT Equipment	Office Equipment	Total
Cost	HK$	HK$	HK$
As at 1/4/2024	-	-	-
Additions	35,392	27,303	62,695
As at 31/3/2025	35,392	27,303	62,695
Accumulated depreciation			
As at 1/4/2024	-	-	-
Charge for the year	(6,852)	(5,286)	(12,138)
As at 31/3/2025	(6,852)	(5,286)	(12,138)
Net carrying amount			
As at 31/3/ 2025	**28,540**	**22,017**	**50,557**
As at 31/3/2024	-	-	-

9. Share Capital

	2025	2024
Issued and fully paid:	HK$	HK$
10,000 ordinary shares	77,800	77,800

10. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 14th May 2025.

File No. 23/74291811 (TFI)

PDS NORTH AMERICA LIMITED

File No. 74291811

PDS NORTH AMERICA LIMITED

YEAR OF ASSESSMENT: 2024/25

	Sch 1
	HK$
Basis period: 1/4/2024 – 31/3/2025	
Loss per audited financial statements	(11,334,963)

PDS NORTH AMERICA LIMITED

DETAILED INCOME STATEMENT

FOR THE PERIOD ENDED MARCH 31, 2025
(FOR MANAGEMENT INFORMATION ONLY)

Sch 2

	2025 HK$	2024 HK$
Revenue	-	-
Other income	**351**	**22,694**
Bank interest	351	233
Forex gain (net)		22,461
Administrative expenses	**11,333,124**	**29,655**
Admin recharge expenses	9,863,519	-
Auditor's remuneration	19,200	11,000
Bank charges	8,930	55
Business Registration fees	2,200	2,150
Consulting fees	482,394	-
Corporate charges	819,718	-
Depreciation	12,138	-
Legal & Professional fees	40,398	16,450
Office supplies	2,494	-
Sample charges	33,171	-
Travel - local	1,151	-
Travel - overseas	47,811	-
Other operating expenses	**2,190**	-
Foreign loss	2,190	-
Profit / (loss) before tax	**(11,334,963)**	**(6,961)**

Auditor's Report and Audited Financial Statements

of

Simple Approach Bangladesh Pvt. Ltd.

As at and for the year ended 31 March 2025

Snehasish
Mahmud & Co.

Snehasish Mahmud & Co.
Chartered Accountants
Plot 10 (3rd Floor), Road 9
Block J, Baridhara, Dhaka 1212
Phone: +88-02-8834063
info@smac-bd.com
www.smac-bd.com

**Auditor's report
to the shareholders of
Simple Approach Bangladesh Pvt. Ltd.**

Opinion

We have audited the financial statements of Simple Approach Bangladesh Pvt. Ltd. hereinafter referred to as "the company" which comprise the statement of financial position as at 31 March 2025, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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 year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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 Auditors 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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB bye laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994 and other applicable laws and regulations 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 a part of 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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.

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

In accordance with Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b) in our opinion, proper books of account as required bye laws have been kept by the company so far as it appeared from our examination of those books; and

c) the company's financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

DVC:

Dated,
Dhaka

Sukanta Bhattacharjee FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

Simple Approach Bangladesh Pvt. Ltd.
Statement of Financial Position
As at 31 March 2025

In Taka	Notes	31-Mar-25	31-Mar-24
Assets			
Non-current assets			
Property, plant & equipment	4	66,928,016	56,687,505
Right of use assets	5	41,702,923	46,893,751
Total non current assets		**108,630,939**	**103,581,256**
Current assets			
Advance, deposit and prepayment	6	22,026,482	4,571,887
Cash & cash equivalents	7	5,715,012	13,044,070
Total current assets		**27,741,493**	**17,615,957**
Total assets		**136,372,432**	**121,197,213**
Equity and liabilities			
Equity			
Share capital	8	121,730,600	35,438,600
Share money deposit	9	-	56,089,500
Retained earnings		(42,940,986)	(36,532,980)
Other Comprehensive Income/(Loss)		(9,894,988)	-
Total equity		**68,894,626**	**54,995,120**
Non-current liabilities			
Lease liabilities -non current portion	10.0	28,085,201	28,501,335
Leave encashment payable-non current portion	12.1	1,978,361	415,822
Terminal benefits payable-non current portion	12.2	9,719,049	-
Total non-current liabilities		**39,782,611**	**28,917,157**
Current liabilities			
Lease liabilities - current portion	10	416,133	416,133
Short term loan from related party	11	-	22,012,500
Liabilities for expenses	12	8,419,168	11,241,754
Deferred Tax Liability	13	213,680	-
Provision for income tax	14	18,646,214	3,614,548
Total current liabilities		**27,695,196**	**37,284,935**
Total equity and liabilities		**136,372,432**	**121,197,213**

The accompanying notes from 1 to 20 form an integral part of these financial statements.

Chief Financial Officer **Managing Director**

Note: Under section 189 of the companies Act 1994: Only one director has signed, the other director being not present in Bangladesh at the time of signing these financial statements.

As per our report of same date.

DVC:

Sukanta Bhattacharjee FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

Dated, 15-05-25
Dhaka

Simple Approach Bangladesh Pvt. Ltd.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

In Taka	Notes	31-Mar-25	31-Mar-24
Service revenue	15	191,861,953	33,773,009
Operating & selling expenses	16	(179,613,020)	(65,862,272)
Operating income/(loss)		**12,248,933**	**(32,089,263)**
Finance income	17	82,674	44,558
Loss before tax		**12,331,607**	**(32,044,705)**
Current year tax	14	(18,525,933)	(3,614,548)
Deferred tax income/(expenses)	13	(213,680)	-
Net Profit/(loss) after tax		**(6,408,007)**	**(35,659,253)**
Other comprehensive income for the year			
Remeasurement of defined benefit plan		(9,894,988)	-
Total Comprehensive Income/(Loss)		**(16,302,995)**	**(35,659,253)**

The accompanying notes from 1 to 20 form an integral part of these financial statements.

Chief Financial Officer

Managing Director

Note: Under section 189 of the companies Act 1994: Only one director has signed, the other director being not present in Bangladesh at the time of signing these financial statements.

As per our report of same date.

DVC:

Sukanta Bhattacharjee FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

Dated, 15-05-25
Dhaka

Simple Approach Bangladesh Pvt. Ltd.
Statement of Changes in Equity
For the year ended 31 March 2025

In Taka	Share Capital	Share Money Deposit	Other Comprehensive Income/(Loss)	Retained Earnings	Total
Opening balance as on 1st April 2023	35,438,600	-	-	(873,727)	34,564,873
Share money deposit	-	56,089,500	-	-	56,089,500
Net loss during the year	-	-	-	(35,659,253)	(35,659,253)
Closing balance as at 31 March 2024	**35,438,600**	**56,089,500**	**-**	**(36,532,980)**	**54,995,120**
Share money deposit	-	8,190,000	-	-	8,190,000
Allocated to share capital	86,292,000	(64,279,500)	-	-	22,012,500
Net loss during the period	-	-	-	(6,408,007)	(6,408,007)
Remeasurement of defined benefit plan	-	-	(9,894,988)	-	(9,894,988)
Closing balance as at 31 March 2025	**121,730,600**	**-**	**(9,894,988)**	**(42,940,986)**	**68,894,626**

Chief Financial Officer

Managing Director

Note: Under section 189 of the companies Act 1994: Only one director has signed, the other director being not present in Bangladesh at the time of signing these financial statements.

Dated, 15-05-25
Dhaka

Snehasish Mahmud & Co.
SMAC

Simple Approach Bangladesh Pvt. Ltd.
Statement of Cash Flows
For the year ended 31 March 2025

In Taka	Note	31-Mar-25	31-Mar-24
A. Cash flows from operating activities:			
Net profit / (loss) before tax		12,331,607	(32,044,705)
Tax payment		(18,525,933)	(3,494,267)
Adjustments for non cash items			
Interest on lease liability		2,873,018	1,687,709
Interest on lease asset		(82,674)	(44,558)
Depreciation on property, plant & equipment		8,316,370	2,559,883
Depreciation on right of use assets		5,190,828	3,427,489
Cash flow from operating activities before working capital changes		**10,103,216**	**(27,908,448)**
Change in working capital :			
Decrease/(increase) in advance, deposit and prepayments		(2,422,929)	4,051,341
Increase /(decrease) in liabilities for expenses		(1,435,986)	13,214,706
Net cash flow from operating activities		**6,244,301**	**(10,642,401)**
B. Cash flows from investing activities:			
Acquisition of Property, plant & equipment		(18,556,881)	(59,247,388)
Net cash used in investing activities		**(18,556,881)**	**(59,247,388)**
C. Cash flows from financing activities			
Payment of lease liabilities		(3,206,478)	(3,938,945)
Payment of security deposit for lease asset		-	(8,518,100)
Short term loan from related party		-	22,012,500
Share money deposit		8,190,000	56,089,500
Net cash from financing activities (C)		**4,983,522**	**65,644,955**
Net increase in cash & cash equivalent (D = A+B+C)		**(7,329,058)**	**(4,244,834)**
Opening cash and bank balances		13,044,070	17,288,904
D. Closing balance		**5,715,012**	**13,044,070**
Closing balance represents			
Cash in Hand		7,685	193,982
Cash at Nagad		80,819	141,101
Cash at Bank (HSBC)		5,369,390	-
Cash at Bank (Commercial Bank)		257,118	12,708,987
Closing balance reconciled		**5,715,012**	**13,044,070**

Chief Financial Officer **Managing Director**

Note: Under section 189 of the companies Act 1994: Only one director has signed, the other director being not present in Bangladesh at the time of signing these financial statements.

Dated, 15-05-25
Dhaka

Snehasish Mahmud & Co.

Simple Approach Bangladesh Pvt. Ltd.

Notes to the financial statements

As at and for the year ended 31 March 2025

1.00 Reporting entity

1.1 Formation and legal status

Simple Approach Bangladesh Pvt. Ltd. was incorporated on 25 May 2022, vide registration number C-181213/2022 in Bangladesh as a Private Limited Company under the Companies Act, 1994. The company's registered office is situated at Wakil Tower, 8th Floor, Ta 131, Gulshan, Badda Link Road, Dhaka, Bangladesh.

1.2 Nature of business

The main activities of the company is to carry on the business of export-oriented garments for the purpose of cutting, stitching, making, finishing, stone washing, dress of all kinds of textiles & to act as local traders, importers, exporters of any commodity, commission agents, sole agents, manufacturer representative, handling agents, buying and selling agents, indenting agents as the company may think fit from time to time & to deal in the Buying house & Design Services activities.

2.00 Basis of preparation

2.1 Statement of compliance

This financial statements have been prepared following accrual basis of accounting except for statement of cash flows in accordance with International Accounting Standards (IASs), International Financial Reporting Standard (IFRSs) and Companies Act 1994.

2.2 Other regulatory compliances

The Company is required to comply with following major laws and regulations along with The Companies Act 1994:

The Income Tax Act, 2023

The Income Tax Rules, 2023

The Value Added Tax and Supplementary Duty Act, 2012

The Value Added Tax and Supplementary Duty Rule, 2016

The Customs Act, 1969

2.3 Basis of measurement

The financial statements have been prepared on historical cost following the accrual basis on accounting.

2.4 Functional and presentational currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk/BDT), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer unless otherwise indicated.

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting polices and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Snehasish Mahmud & Co.

2.6 Going concern

The commercial operation of the company has been started from September 2023. The board of directors of the company believes that the company has adequate resources and group support to continue its operation in the foreseeable future. As a result, the financial statements of the company has been prepared on a going concern basis.

As a result the financial statements of the company has been prepared on a going concern basis.

2.7 Cash flow statements

Cash Flow Statement is prepared as per International Accounting Standard (IAS-7). Cash flow from operating activities is determined for the period under indirect method.

2.8 Reporting period

The company has got approval from DCT for maintaining the accounting year with parent as 01 April to 31 March dated 20 June 2022. These financial statements cover for the period from 01 April 2024 to 31 March 2025. Since this is the first year of the company no comparative information is available.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently in these financial statements.

3.1 Property, plant and equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs

The cost of replacing part of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

Depreciation

Depreciation is charged on all items of property, plant and equipment on straight line method. For addition to property, plant and equipment, depreciation is charged from the day of capitalization up to the period immediately preceding the period of disposal. Depreciation method, useful lives and residual values are reassessed and adjusted (if any) at each reporting date. Depreciation rates are as follows:

Particulars	Rate
Plant & Machinery	10%
Furniture & Fixtures	10%
Office Equipments	10%
IT Equipments	25%

Snehasish Mahmud & Co.

3.2 **Right of use assets and lease liabilities**

The Company is a party to rent contracts for, Buildings- office space from August 2023 for ten

IFRS -16 requires recognition of a 'right of use' asset, representing the right to use the underlying asset and a liability, representing the obligation to make lease payments, for the lease contract. The impact on the Income Statement is that former lease-operating expenses are replaced by depreciation and interest. Total expenses (depreciation for 'right of use' assets and interest on lease liabilities) are higher in the earlier years of a typical lease and lower in the later years, in comparison with former accounting for operating leases.

3.3 **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i)Recognition and initial measurement

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

ii)Classification and subsequent measurement

On initial recognition, a financial asset is classified and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets includes advances, deposits and prepayments and cash & cash equivalents.

3.3.1 Advances, deposits and prepayments

Advances, deposits and prepayments at the balance sheet date are stated net of provision for amounts estimated to be doubtful of recovery.

3.3.2 Cash and cash equivalents

Cash and cash equivalents include cash and cheques on hand, demand deposits with banks, and other short term highly liquid investments with original maturities of three months or less.

Snehasish Mahmud & Co.

3.4 Financial liabilities

All financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include Liability for expenses.

3.4.1 Liability for expenses

A liability for expenses is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Liability is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5 Taxation

Current tax

Income tax expense is recognized in statement of 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. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for the Company is currently 25%

3.6 Revenue recognition

In compliance with the requirements of IFRS 15 : Revenue from contracts with customers is measured at the fair value of the consideration received or receivable.

Service revenue: Revenue from services rendered is recognized when invoices are raised based on the contract with customer for monthly USD 10,000.

Revenue from export: Revenue from export rendered is recognized when invoices are raised based on the contract with customer as sample exported from Bangladesh.

Commission revenue: Revenue from commission rendered is recognized when invoices are raised based on the contract with customer upto 1.5% of the sales exported from Bangladesh.

3.7 Foreign currency transactions

Transactions in foreign currency are translated to Bangladesh Taka at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency at the reporting date are retranslated to the functional currency at the exchange rate prevailing at that date.

3.8 Related party

A related party is a person or an entity that is related to the reporting entity:

(i) A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel.

Snehasish Mahmud & Co.

SMAC

(ii) An entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

Parent and ultimate controlling party

Simple Approach Limited, Hongkong holds 99.9997% equity shares in the Company. As a result, they are the ultimate controlling party of the Company.

3.9 Employee benefits

The company's employee benefits include the following:

Short Term Employee Benefits;

These includes employee benefits provided to employees to ensure better working conditions in line with Labour Law 2006 and its subsequent amendments. Transportation for admin and management employee, Advance against salary, Festival bonus, Leave encashment, termination benefits as per Law, etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

3.10 Events after reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.11 General

i) Prior year's figures have been rearranged and restated wherever considered necessary to ensure comparability with the current year and comply with relevant IFRSs.

ii) Figures in bracket denote negative.

iii) Figures have been rounded off to the nearest integer.

Snehasish Mahmud & Co.

4.0 Property, plant & equipment

In Taka	Notes	31-Mar-25	31-Mar-24
Cost:			
Opening balance		59,247,388	-
Addition for the period		18,556,881	59,247,388
Closing balance		77,804,269	59,247,388
Accumulated depreciation:			
Opening balance		2,559,883	-
Depreciation charged during the period		8,316,370	2,559,883
Closing balance		**10,876,253**	**2,559,883**
Written down value (WDV)		**66,928,016**	**56,687,505**

Assets wise details have been given in Annexure-A(i)

5.0 Right of use assets

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		46,893,751	-
Addition during the year		-	50,321,240
Accumulated depreciation		(5,190,828)	(3,427,489)
Closing balance		**41,702,923**	**46,893,751**

Assets wise details have been given in Annexure-A(ii)

6.0 Advance, deposit and prepayment:

In Taka	Notes	31-Mar-25	31-Mar-24
Advance	6.1	19,259,977	3,750,733
Deposit	6.2	872,203	789,529
Prepayments	6.3	1,894,302	31,625
Closing balance		**22,026,482**	**4,571,887**

6.1 Advance

In Taka	Notes	31-Mar-25	31-Mar-24
Advance against expense		734,044	226,466
Advance against salaries		-	30,000
Advance income tax	6.1a	18,525,933	3,494,267
Closing balance		**19,259,977**	**3,750,733**

6.1a Advance income tax

In Taka	Notes	31-Mar-25	31-Mar-24
Opeing balance		3,494,267	-
Addition during the year		18,525,933	3,494,267
Less: Adjustment during year		(3,494,267)	-
Closing balance		**18,525,933**	**3,494,267**

6.2 Deposit

In Taka	Notes	31-Mar-25	31-Mar-24
Security deposit-office & factory rent		872,203	789,529
Closing balance		**872,203**	**789,529**

Snehasish Mahmud & Co.

6.3 Prepayments

In Taka	Notes	31-Mar-25	31-Mar-24
Prepaid rent		27,500	31,625
Prepaid insurance		1,866,802	-
Closing balance		**1,894,302**	**31,625**

7.0 Cash and cash equivalents

In Taka	Notes	31-Mar-25	31-Mar-24
Cash in hand		7,685	193,982
Cash at bank	7.1	5,707,327	12,850,088
Closing balance		**5,715,012**	**13,044,070**

7.1 Cash at bank

In Taka	Notes	31-Mar-25	31-Mar-24
Cash at Nagad		80,819	141,101
Cash at bank (HSBC Bank)		5,369,390	-
Cash at bank (Commercial Bank of Ceylon)		257,118	12,708,987
Closing balance		**5,707,327**	**12,850,088**

8.0 Share capital

Authorized capital:		
10,00,000 ordinary shares of Taka 100 each	200,000,000	100,000,000
	200,000,000	**100,000,000**
Issued, subscribed and paid up capital:		
1,217,306 ordinary shares of Tk. 100 each	121,730,600	35,438,600
	121,730,600	**35,438,600**

Share holding position:

Name of the shareholders	%	Par Value	No of shares	No of shares
Simple Approach Limited, Hongkong	99.9997%	Tk 100.00	1,217,305	354,385
Mohammad Abul Hasanat Khan	0.0003%	Tk 100.00	1	1
Total	**100%**		**1,217,306**	**354,386**

* The company has increased the paid-up share capital Tk. 56,089,500 through the board of directors meeting held on 15 April 2024 from the share money deposit, which was subsequently approved by the RJSC on 7 July 2024

* The company has increased the paid-up share capital Tk. 22,012,500 through the board of directors meeting held on 15 October 2024 from the short-term loan, which was subsequently approved by the RJSC on 23 December 2024

* The company has increased the paid-up share capital Tk. 8,190,000 through the board of directors meeting held on 17 March 2025 from the share money deposit. The submission of the return of return of allotment (Form-XV) was submitted to the Register of Joint Stock Companies (RJSC).

9.0 Share money deposit

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		56,089,500	-
Add: Receive during the period		8,190,000	56,089,500
Less: Allotment made during the year		(64,279,500)	-
Closing balance		**-**	**56,089,500**

10.0 Lease liabilities

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		28,917,468	-
Addition during the year		-	28,917,468
Settled during the year		(416,134)	
Closing balance		**28,501,334**	**28,917,468**
Lease liabilities -non current portion		28,085,201	28,501,335
Lease liabilities - current portion		416,133	416,133
Closing balance		**28,501,334**	**28,917,468**

11.0 Short term loan from related party-Simple Approach Limited, Hongkong

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		22,012,500	22,012,500
Settled through share capital		(22,012,500)	-
Closing balance		**-**	**22,012,500**

12.0 Liabilities for expenses

In Taka	Notes	31-Mar-25	31-Mar-24
Audit fees payable		212,750	143,750
Other accrued liabilities & payables		2,558,823	5,351,728
Salary payables		-	4,200,936
Employee payable		77,000	128,300
Electricity payable		300,000	250,000
Leave encashment payable (current)	12.1	2,161,868	529
Terminal benefits payable (current)	12.2	1,911,847	-
TDS payable		739,648	274,135
VDS payable		457,232	892,376
Closing balance		**8,419,168**	**11,241,754**

12.1 Leave encashment payable

In Taka		31-Mar-25	31-Mar-24
Leave encashment payable-non current		1,978,361	415,822
Leave encashment payable-current		2,161,868	529
Closing balance		**4,140,229**	**416,351**

12.2 Terminal benefits payable

In Taka		31-Mar-25	31-Mar-24
Terminal benefits payable (non-current)		9,719,049	-
Terminal benefits payable (current)		1,911,847	-
Closing balance		**11,630,896**	**-**

13.0 Deferred tax liability

In Taka	Notes	31-Mar-25	31-Mar-24
Opening balance		-	-
(Income)/expenses during the year	13.1	213,680	-
Closing balance		**213,680**	**-**

Snehasish Mahmud & Co.

13.1 Particulars	Carrying amount	Tax base	Taxable/ (Deductible) temporary difference
Plant & Machinery	14,024,509	13,906,208	118,301
Furniture & Fixtures	20,470,853	20,345,133	125,719
Office Equipments	23,783,544	23,588,688	194,855
IT Equipments	8,649,111	8,233,265	415,846
Closing balance as at 31 March 2025	**66,928,016**	**66,073,295**	**854,721**
Deferred tax @25%			**213,680**

14.0 Provision for income tax

In Taka	**Notes**	**31-Mar-25**	**31-Mar-24**
Opening balance		3,614,548	-
Addition during the year		18,525,933	3,614,548
Adjustment in current year		(3,494,267)	-
Closing balance		**18,646,214**	**3,614,548**

15.0 Service revenue

In Taka	Notes	31-Mar-25	31-Mar-24
Gross service revenue		14,199,500	7,665,000
Gross export		-	122,640
Gross commission revenue		177,662,453	25,985,369
Less: value added tax		-	-
Net revenue		**191,861,953**	**33,773,009**

16.0 Operating & selling expenses

In Taka	Notes	31-Mar-25	31-Mar-24
Salary and allowance	16.1	90,589,496	28,600,949
Bank charges-others		125,714	52,925
Audit fees		672,750	143,750
Car hire charges - on Call		1,240,788	794,104
Depreciation		8,316,370	2,559,883
Depreciation - RoU		5,190,828	3,427,489
Electricity charges		3,844,840	1,992,965
Entertainment expenses		904,675	437,386
Generator running & fuel		2,378,600	999,994
Government fees		177,950	74,885
Handling/Transport charges		223,641	31,461
Housekeeping & cleaning expenses		1,063,002	694,081
Welfare expenses - staff		1,048,398	10,400
Insurance - general		287,365	259,055
Internet & email charges		197,797	122,398
Interest on leased liabilities		2,873,018	1,687,709
Legal & professional charges		1,011,839	357,489
License fees		71,283	48,099
Life insurance contributions-staff		54,117	106,580
Insurance - employees health/medical		1,407,163	2,316,129
Club & membership fees		6,948	6,804
Mobile phones expenses		192,125	57,309
Courier charges - international		26,358,041	6,967,032
Office supplies		5,789,812	3,542,486
Printing & Stationery		913,603	818,640
Purchase trims & accessories - sampling		8,184,991	3,865,299
Rent office		1,086,480	732,497
Repairs & maintenance - furniture & office		4,942,937	54,683
Repairs & maintenance - others		1,057,914	601,439
Repairs & maintenance - vehicle		20,392	2,833
Repairs & maintenance - computer equipment		116,995	-
Staff training expenses		39,948	56,250
Security charges		2,058,441	1,173,659
Telephone expenses		692,152	334,982
Transport allowance-staff		5,730,638	2,321,450
Travel - local		219,901	130,213
Travel overseas		1,135,119	-

Snehasish Mahmud & Co.

In Taka	Notes	31-Mar-25	31-Mar-24
Foreign exchange (gain)/loss		(1,702,426)	-
Testing charges		47,339	-
Immigration/Visa expenses		66,784	-
Expatriate work permit/visa charges		90,275	-
Advertisement charges		93,380	-
Vehicle fuel		791,597	478,966
Total		**179,613,020**	**65,862,272**

16.1 Salary and allowance

In Taka	Notes	31-Mar-25	31-Mar-24
Salary local		62,202,426	26,692,598
Overtime-staff		2,586,085	1,337,728
Bonus- staff		6,936,146	32,192
Salaries - expatriate		9,162,146	-
Incentives to employees		3,773,424	-
Terminal benefits		1,735,908	-
Leave encashment		4,193,361	538,431
Total		**90,589,496**	**28,600,949**

17.0 Finance income

In Taka	Notes	31-Mar-25	31-Mar-24
Interest on lease assets		82,674	44,558
Total		82,674	44,558

Snehasish Mahmud & Co.

18.0 Financial instruments - fair values and risk management

See accounting policy in Note 3.3.

18.1 Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Carrying amount as at 31 March'2025

In taka	Note	Fair value hedging instruments	Mandatorily at FVTPL others	FVOCI-debt instruments	FVOCI equity instruments	Financial assets at cost	Other financial liabilities	Total amount
Financial assets not measured at fair value								
Advance, deposit and prepayment	6.0	-	-	-	-	22,026,482	-	22,026,482
Cash & cash equivalents	7.0	-	-	-	-	5,715,012	-	5,715,012
Total		-	-	-	-	27,741,493	-	27,741,493
Financial liabilities not measured at fair value								
Lease liabilities	10.0	-	-	-	-	-	28,501,334	28,501,334
Liability for expenses	12.0	-	-	-	-	-	8,419,168	8,419,168
Leave encashment payable-non current portion	12.1						1,978,361	1,978,361
Terminal benefits payable-non current portion	12.2						9,719,049	9,719,049
Total		-	-	-	-	-	48,617,912	48,617,912

Carrying amount as at 31 March 2024

In taka	Note	Fair value hedging instruments	Mandatorily at FVTPL others	FVOCI-debt instruments	FVOCI equity instruments	Financial assets at cost	Other financial liabilities	Total amount
Financial assets not measured at fair value								
Advance, deposit and prepayment	6.0	-	-	-	-	4,571,887	-	4,571,887
Cash & cash equivalents	7.0	-	-	-	-	13,044,070	-	13,044,070
Total		-		-	-	17,615,957	-	17,615,957

Snehasish Mahmud & Co.

In taka	Note	Fair value hedging instruments	Mandatorily at FVTPL others	FVOCI-debt instruments	FVOCI equity instruments	Financial assets at cost	Other financial liabilities	Total amount
Financial liabilities not measured at fair value								
Lease liabilities	10.0	-	-	-	-	-	28,501,334	28,501,334
Liability for expenses	12.0	-	-	-	-	-	11,241,754	11,241,754
Total		-	-	-	-	-	39,743,088	39,743,088

18.2 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk (see 18.2.1)
- Liquidity risk (see 18.2.2)
- Market risk (see 18.2.3)

The Board of Directors of the company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

18.2.1 Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile, etc.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Cash and cash equivalents

The Company held cash and cash equivalents: Bank balances of Taka 12,850,088 and cash in hand of Taka 193,982 at 31 March 2024, which represents its maximum credit exposure on these assets. The cash and cash equivalents: Bank balances are held with Commercial Bank of Ceylon Plc in Bangladesh.

Snehasish Mahmud & Co.
SMAC

18.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of the financial obligation and accordingly arranging for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the Company may get support from the parent company in the form of shareholder's loan/capital contribution.

The followings are the contractual maturities of non derivative financial liabilities:

			Contractual cash flows					
31 March 2024 In taka	*Note*	Carrying amount	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years	Total
Lease liabilities	10.0	28,501,334	-	-	-	28,501,334	-	28,501,334
Liability for expenses	12.0	8,419,168	-	8,419,168	-	-	-	8,419,168
Leave encashment payable-non current portion	12.1	1,978,361	-	-	-	-	1,978,361	1,978,361
Terminal benefits payable-non current portion	12.2	9,719,049	-	-	-	-	9,719,049	9,719,049
Closing balance		48,617,912	-	8,419,168	-	28,501,334	11,697,410	48,617,912

18.2.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Snehasish Mahmud & Co.

19.0 Related Party Transactions

The company carried out a number of transactions with related party in the normal course of business. The name of the related parties, nature of business and their value have been set out below in accordance with the provisions of IAS -24 "related party disclosure"

Name of the party	Nature of relationship	Nature of transaction	Opening balance as on 01 April 2024	Net transaction during the period	Balance as on 31 March 2025
Simple Approach Limited, Hongkong	Shareholder	Share money deposit	56,089,500	(56,089,500)	-
		Service revenue	-	191,861,953	-

20.0 Number of employees

The company has one hundred Thirty Seven (137) employees during the period ended at 31st March'2025

Snehasish Mahmud & Co.

Simple Approach Bangladesh Pvt. Ltd.
Schedule of Property, Plant & Equipment
As at 31 March 2025

Annexure-A(i)

Particulars	Cost				Rate	Depreciation				Written down value
	Opening balance	Addition for the year	Disposal	Closing balance		Opening balance	Addition for the year	Disposal	Closing balance	
Plant & machinery	12,295,794	3,754,725	-	16,050,519	10%	599,177	1,426,834	-	2,026,010	14,024,509
Furniture & fixtures	20,049,363	2,883,131	-	22,932,494	10%	326,791	2,134,851	-	2,461,641	20,470,853
Office equipments	21,642,350	5,451,117	-	27,093,467	10%	883,813	2,426,110	-	3,309,923	23,783,544
IT equipments	5,259,881	6,467,908	-	11,727,789	25%	750,102	2,328,576	-	3,078,678	8,649,111
As at 31 March 2025	**59,247,388**	**18,556,881**	**-**	**77,804,269**		**2,559,883**	**8,316,370**	**-**	**10,876,253**	**66,928,016**

Simple Approach Bangladesh Pvt. Ltd.
Schedule of Property, Plant & Equipment
As at 31 March 2024

Annexure-A(i)

Particulars	Cost				Rate	Depreciation				Written down value
	Opening balance	Addition for the year	Disposal	Closing balance		Opening balance	Addition for the year	Disposal	Closing balance	
Plant & machinery	-	12,295,794	-	12,295,794	10%	-	599,177	-	599,177	11,696,617
Furniture & fixtures	-	20,049,363	-	20,049,363	10%	-	326,791	-	326,791	19,722,572
Office equipments	-	21,642,350	-	21,642,350	10%	-	883,813	-	883,813	20,758,537
IT equipments	-	5,259,881	-	5,259,881	25%	-	750,102	-	750,102	4,509,779
As at 31 March 2024	**-**	**59,247,388**	**-**	**59,247,388**		**-**	**2,559,883**	**-**	**2,559,883**	**56,687,505**

Snehasish Mahmud & Co.

Simple Approach Bangladesh Pvt. Ltd.
Schedule of Right of use assets
As at 31 March 2025

Annexure A(ii)

Particulars	Cost			Depreciation			Written down value
	Opening balance	Addition for the year	Closing balance	Opening balance	Addition for the year	Closing balance	
Right of use of assets	50,321,240	-	50,321,240	3,427,489	5,190,828	8,618,317	41,702,923
As at 31 March 2025	**50,321,240**	**-**	**50,321,240**	**3,427,489**	**5,190,828**	**8,618,317**	**41,702,923**

Simple Approach Bangladesh Pvt. Ltd.
Schedule of Right of use assets
As at 31 March 2024

Annexure A(ii)

Particulars	Cost			Depreciation			Written down value
	Opening balance	Addition for the year	Closing balance	Opening balance	Addition for the year	Closing balance	
Right of use of assets	-	50,321,240	50,321,240	-	3,427,489	3,427,489	46,893,751
As at 31 March 2024	**-**	**50,321,240**	**50,321,240**	**-**	**3,427,489**	**3,427,489**	**46,893,751**

Snehasish Mahmud & Co.
SHPC

Company registration number 13772401 (England and Wales)

BRAND COLLECTIVE CORPORATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

BRAND COLLECTIVE CORPORATION LIMITED

COMPANY INFORMATION

Directors	Mr Abhishekh Kanoi Mr Roland Seregi Mr Suresh Punjabi Mr Bhavesh Shah	 (Appointed 9 May 2025)
Company number	13772401	
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW	

BRAND COLLECTIVE CORPORATION LIMITED

CONTENTS

BRAND COLLECTIVE CORPORATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company is that of the distribution of lifestyle products.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Abhishekh Kanoi	
Mr Roland Seregi	
Mr Suresh Punjabi	
Mr Bhavesh Shah	(Appointed 9 May 2025)

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Bhavesh Shah

....

Mr Bhavesh Shah

Director

Date: 12/05/2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRAND COLLECTIVE CORPORATION LIMITED

Opinion

We have audited the financial statements of Brand Collective Corporation Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRAND COLLECTIVE CORPORATION LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRAND COLLECTIVE CORPORATION LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young Date: 12/05/2025

Chartered Accountants
Statutory Auditor

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	2	7,148,287	1,941,076
Cost of sales		(4,916,057)	(1,052,005)
Gross profit		2,232,230	889,071
Distribution costs		(988,328)	(132,351)
Administrative expenses		(1,411,185)	(695,548)
Operating (loss)/profit	3	(167,283)	61,172
Finance costs	5	(10,971)	(24,523)
(Loss)/profit before taxation		(178,254)	36,649
Tax on (loss)/profit		-	-
(Loss)/profit and total comprehensive income for the financial year		(178,254)	36,649

BRAND COLLECTIVE CORPORATION LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**6**		10,200		-
Property, plant and equipment	**7**		71,669		5,400
			81,869		5,400
Current assets					
Inventories	**8**	357,002		102,975	
Trade and other receivables	**9**	1,608,893		717,248	
Cash and cash equivalents		771,250		13,255	
		2,737,145		833,478	
Current liabilities	**10**	(3,647,721)		(1,489,331)	
Net current liabilities			(910,576)		(655,853)
Net liabilities			(828,707)		(650,453)
Equity					
Called up share capital	**14**		1		1
Retained earnings			(828,708)		(650,454)
Total equity			(828,707)		(650,453)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12/05/2025 and are signed on its behalf by:

Bhavesh Shah

....

Mr Bhavesh Shah

Director

Company registration number 13772401 (England and Wales)

BRAND COLLECTIVE CORPORATION LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2023	1	(687,103)	(687,102)
Year ended 31 March 2024:			
Profit and total comprehensive income	-	36,649	36,649
Balance at 31 March 2024	1	(650,454)	(650,453)
Year ended 31 March 2025:			
Loss and total comprehensive income	-	(178,254)	(178,254)
Balance at 31 March 2025	1	(828,708)	(828,707)

1 Accounting policies

Company information

Brand Collective Corporation Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative narrative information;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 16.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

1 Accounting policies **(Continued)**

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

3 year straight line

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Plant and equipment	33.33% straight line
Computers	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Accounting policies (Continued)

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets
Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.11 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sales	7,148,287	1,941,076

	2025	2024
	£	£
Revenue analysed by geographical market		
UK	4,660,364	1,183,327
Rest of the world	2,487,923	757,749
	7,148,287	1,941,076

3 Operating (loss)/profit

	2025	2024
Operating (loss)/profit for the year is stated after charging/(crediting):	£	£
Exchange (gains)/losses	(16,828)	8,607
Depreciation of property, plant and equipment	6,370	2,974
Amortisation of intangible assets (included within administrative expenses)	1,800	-
Cost of inventories recognised as an expense	4,874,614	1,046,508

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Management	2	3
Staff	8	5
Total	10	8

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	639,499	328,632
Social security costs	69,849	39,340
Pension costs	10,160	-
	719,508	367,972

No remuneration was paid to the directors of the company.

5 Finance costs

	2025 £	2024 £
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	10,971	24,523

6 Intangible fixed assets

	Software £
Cost	
Additions - purchased	12,000
At 31 March 2025	12,000

6 Intangible fixed assets (Continued)

	Software
	£
Amortisation and impairment	
Charge for the year	1,800
At 31 March 2025	1,800
Carrying amount	
At 31 March 2025	10,200

7 Property, plant and equipment

	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 April 2024	8,669	-	1,409	10,078
Additions	65,656	2,906	4,077	72,639
At 31 March 2025	74,325	2,906	5,486	82,717
Accumulated depreciation and impairment				
At 1 April 2024	4,291	-	387	4,678
Charge for the year	5,309	339	722	6,370
At 31 March 2025	9,600	339	1,109	11,048
Carrying amount				
At 31 March 2025	64,725	2,567	4,377	71,669
At 31 March 2024	4,378	-	1,022	5,400

8 Inventories

	2025	2024
	£	£
Finished goods	357,002	102,975

9 Trade and other receivables

	2025	2024
	£	£
Trade receivables	1,443,733	389,886
Other receivables	69,398	314,057
Prepayments and accrued income	95,762	13,305
	1,608,893	717,248

10 Liabilities

	Notes	2025	2024
		£	£
Borrowings	**11**	30	-
Trade and other payables	**12**	3,423,270	1,475,395
Taxation and social security		224,421	13,936
		3,647,721	1,489,331

11 Borrowings

	2025	2024
	£	£
Borrowings held at amortised cost:		
Bank overdrafts	30	-

12 Trade and other payables

	2025	2024
	£	£
Trade payables	303,257	6,988
Amount owed to parent undertaking	3,003,815	-
Amounts owed to fellow group undertakings	50,441	1,447,388
Accruals and deferred income	65,757	20,829
Other payables	-	190
	3,423,270	1,475,395

13 Retirement benefit schemes

	2025	2024
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	10,160	-

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

14 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	1	1	1	1

15 Related party transactions

At 31 March 2025, the company owed £20,015 (2024: £nil) to Norwest Industries Limited, and owed £26,764 (2024: £19,948) to Poetic Brands Limited.

Brand Collective Corporation Limited is wholly owned by Brand Collective Limited, which is a 70% subsidiary of Norwest Industries Limited.

Norwest Industries Limited and PDS Sourcing Limited are both wholly owned subsidiaries of Multinational Textile Group Limited. Poetic Brands Limited is a 60% subsidiary of PDS Sourcing Limited.

16 Controlling party

The immediate parent company is Brand Collective Limited, a company registered in Hong Kong. The ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

BRAND COLLECTIVE CORPORATION LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

BRAND COLLECTIVE CORPORATION LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

		2025		2024
		£		£
Revenue				
Sales of goods		7,148,287		1,941,076
Cost of sales		(4,916,057)		(1,052,005)
Gross profit	31.23%	2,232,230	45.80%	889,071
Distribution costs		(988,328)		(132,351)
Administrative expenses		(1,411,185)		(695,548)
Operating (loss)/profit		(167,283)		61,172
Finance costs				
Interest payable to group companies		(10,971)		(24,523)
(Loss)/profit before taxation	2.49%	(178,254)	1.89%	36,649

BRAND COLLECTIVE CORPORATION LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Cost of sales		
Opening stock of finished goods	102,975	-
Purchases and other direct costs		
Finished goods purchases	5,128,641	1,149,456
Scrap losses	-	27
Packaging	41,443	5,497
Total purchases and other direct costs	5,170,084	1,154,980
Total cost of sales	4,916,057	1,052,005
Distribution costs		
Warehouse expenses	33,400	3,467
Storage charges	298,134	37,429
Courier charges - local	35,373	8,201
Freight Surface transport	475,920	78,690
Licence fee	1,350	4,564
Agents commission	144,151	-
	988,328	132,351

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Wages and salaries	639,499	328,632
Social security costs	69,849	39,340
Staff recruitment costs	24,425	36,136
Staff welfare	34,986	20,137
Staff training	200	150
Staff pension costs defined contribution	10,160	-
Designing expenses	91,349	64,576
Samples	10,952	21,925
Management charge - group	2,080	2,384
Rent re licences and other	31,868	4,725
Property repairs and maintenance	62,005	37,576
Computer running costs	5,978	-
Travelling expenses	107,238	60,530
Professional subscriptions	595	731
Legal and professional fees	45,024	6,228
Consultancy fees	185,039	11,580
Audit fees	15,433	12,250
Bank charges	12,271	4,262
Insurances (not premises)	19,171	17,974
Printing and stationery	1,549	2,214
Advertising	11,228	103
Website costs	1,198	992
Telecommunications	1,630	76
Other office supplies	12,219	5,709
Entertaining	19,587	4,250
Sundry expenses	4,310	1,487
Amortisation	1,800	-
Depreciation	6,370	2,974
Profit or loss on foreign exchange	(16,828)	8,607
	1,411,185	695,548

Envelope Data

Subject:	Brand Collective Corporation Limited
Documents:	BCCL - Minutes.pdf,BCCL - LOR.pdf,BCCL - ABR.pdf,BCCL - FS.pdf
Document Hash:	TVONWrLWFeaV72zbbLas54IbqO4nmac5Qgd+r5lrJbY=
Envelope ID:	ENV22193050-4616-CBEF-8095-DBCD
Sender:	Muhammad Haider
Sent:	12/05/2025 06:57 AM UTC
Status:	Completed
Status Date:	12/05/2025 13:48 PM UTC

Access Authentication:	None
Email Access Code:	Not Enabled
Email Verification:	Not enabled

Recipients / Roles

Name / Role	Email	Type
Muhammad Haider	m.haider@uhy-uk.com	Sender
Bhavesh Shah	bhavesh.shah@pdsltd.com	Signer
Vinod Vadgama	v.vadgama@uhy-uk.com	Signer

Document Events

Name / Roles	Email	IP Address	Date	Event
Muhammad Haider	m.haider@uhy-uk.com	185.47.105.164	12/05/2025 06 :57 AM UTC	Created
Bhavesh Shah	bhavesh.shah@pdsltd.com	81.96.149.36	12/05/2025 12 :03 PM UTC	Signed
Vinod Vadgama	v.vadgama@uhy-uk.com	185.47.105.164	12/05/2025 13 :48 PM UTC	Signed
			12/05/2025 13 :48 PM UTC	**Status - Completed**

Signer Signatures

Signer Name / Roles	Signature	Initials
Bhavesh Shah	Bhavesh Shah	
Vinod Vadgama	V Vadgama	

Company registration number 06060342 (England and Wales)

CASA FORMA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

CASA FORMA LIMITED

COMPANY INFORMATION

Directors	Mr P Seth Mr A Banaik Mr K Kanodia
Company number	06060342
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

CASA FORMA LIMITED

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company continued to be that of interior design.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Seth
Mr A Banaik
Mr K Kanodia

Auditor
The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company’s auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company’s auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Krishna Kanodia

Mr K Kanodia
Director

2 May 2025

ENV49059984-4513-EFAE-2880-BDDB
02/05/2025 13:43 PM UTC

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CASA FORMA LIMITED

Opinion

We have audited the financial statements of Casa Forma Limited (the 'company') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CASA FORMA LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CASA FORMA LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CASA FORMA LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 2 May 2025

Chartered Accountants
Statutory Auditor

CASA FORMA LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	2	-	39,940
Administrative expenses		(13,205)	(37,313)
Operating (loss)/profit		(13,205)	2,627
Finance costs	4	(116)	-
(Loss)/profit before taxation		(13,321)	2,627
Tax on (loss)/profit		-	-
(Loss)/profit and total comprehensive income for the financial year	10	(13,321)	2,627

The income statement has been prepared on the basis that all operations are continuing operations.

CASA FORMA LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Non-current assets					
Intangible assets	**5**		11,823		-
Current assets					
Trade and other receivables	**6**	4,978		533	
Cash and cash equivalents		11,162		22,908	
		16,140		23,441	
Current liabilities	**7**	(4,811)		(2,501)	
Net current assets			11,329		20,940
Total assets less current liabilities			23,152		20,940
Non-current liabilities	**7**		(15,533)		-
Net assets			7,619		20,940
Equity					
Called up share capital	**9**		925,000		925,000
Retained earnings	**10**		(917,381)		(904,060)
Total equity			7,619		20,940

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 2 May 2025 and are signed on its behalf by:

Krishna Kanodia

Mr K Kanodia
Director

Company registration number 06060342 (England and Wales)

CASA FORMA LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2023	925,000	(906,687)	18,313
Year ended 31 March 2024:			
Profit and total comprehensive income	-	2,627	2,627
Balance at 31 March 2024	925,000	(904,060)	20,940
Year ended 31 March 2025:			
Loss and total comprehensive income	-	(13,321)	(13,321)
Balance at 31 March 2025	925,000	(917,381)	7,619

1 Accounting policies

Company information

Casa Forma Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets; and
- the requirement to present a statement of cash flows and related notes.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, standards not yet effective and impairment of assets.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 13.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The company will also continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1 Accounting policies **(Continued)**

1.3 Revenue

The revenue in the state of comprehensive income represents amounts invoiced during the year and includes design fees and other income exclusive of Value Added Tax. For the procurement income revenue is recognised on project completion exclusive of Value Added Tax.

1.4 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents and Licenses	5 years straight line

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1 Accounting policies **(Continued)**

1.8 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss which are measured at fair value.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1 Accounting policies (Continued)

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

1.10 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Design Fees	-	39,940

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2024: 3)

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2025.

4 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on other loans	116	-

5 Intangible fixed assets

	Patents
	£
Cost	
Additions - purchased	13,651
At 31 March 2025	13,651
Amortisation and impairment	
Charge for the year	1,828
At 31 March 2025	1,828
Carrying amount	
At 31 March 2025	11,823

6 Trade and other receivables

	2025	2024
	£	£
VAT recoverable	4,893	533
Other receivables	85	-
	4,978	533

7 Liabilities

	Notes	Current 2025	Current 2024	Non-current 2025	Non-current 2024
		£	£	£	£
Trade and other payables	**8**	4,811	2,501	15,533	-

8 Trade and other payables

	Current 2025	Current 2024	Non-current 2025	Non-current 2024
	£	£	£	£
Trade payables	11	-	-	-
Amount owed to parent undertaking	-	-	15,533	-
Accruals and deferred income	4,800	2,501	-	-
	4,811	2,501	15,533	-

9 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary Shares of £1 each	925,000	925,000	925,000	925,000

10 Retained earnings

	2025	2024
	£	£
At the beginning of the year	(904,060)	(906,687)
(Loss)/profit for the year	(13,321)	2,627
At the end of the year	(917,381)	(904,060)

11 Contingent liabilities

RBS has a fixed and floating charge over the assets of the company.

12 Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern whilst maximising the return of stakeholders through the optimisation of equity balance. The capital structure of the company consists of cash and cash equivalents and equity attributable to equity holders of the parent, compromising of issued capital, reserves and retained earnings.

13 Controlling party

The immediate parent company is Multinational Textile Group Limited, a company registered in Mauritius, and the ultimate parent company is PDS Limited, a company registered in India.

PDS Limited prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

CASA FORMA LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

CASA FORMA LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025		2024
	£		£
Revenue			
Sales of services	-		39,940
Administrative expenses	(13,205)		(37,313)
Operating (loss)/profit	(13,205)		2,627
Finance costs			
Non bank interest on loans	(116)		-
(Loss)/profit before taxation	(13,321)	6.58%	2,627

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Administrative expenses		
Computer running costs	1,431	2,203
Legal and professional fees	2,195	-
Consultancy fees	-	29,072
Audit fees	5,591	3,451
Bank charges	(8)	308
Bad and doubtful debts	-	(2)
Insurances (not premises)	2,017	1,932
Telecommunications	151	348
Sundry expenses	-	1
Amortisation	1,828	-
	13,205	37,313

Collective Near East Sourcing Services FZCO

Audited Financial Statements

For the period March 6, 2024 to March 31, 2025

Table of Contents

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO
License No		06133

Principal activities of the Entity:

The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms trading
(b) Clothing accessories trading
(c) Footwear trading

Business Address	:	Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates
Bank	:	Emirates NBD
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

Collective Near East Sourcing Services FZCO
Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the period ended March 31, 2025.

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms trading
(b) Clothing accessories trading
(c) Footwear trading

Financial review:

The table below summarizes the results of 2024-25

(figures in AED)

Particulars	06.03.2024 to 31.03.2025
Revenue	-
Net profit/(Loss) for the period	(37,931)

Role of the Manager:
The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:
In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountancy, Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

For Collective Near East Sourcing Services FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

COLLECTIVE NEAR EAST SOURCING SERVICES FZCO DUBAI - U.A.E

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Collective Near East Sourcing Services FZCO ,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **Collective Near East Sourcing Services FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 25th April, 2025

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	(figures in AED) 06.03.2024 to 31.03.2025
Assets		
Non-Current Assets		
Property, Plant and Equipments		-
Total Non-Current Assets	(A)	-
Current Assets		
Advances, Deposits and Other Receivables	7	34,439
Cash and Cash Equivalents	8	-
Total Current Assets	(B)	**34,439**
Total Assets	(A+B)	**34,439**
Equity		
Share Capital	9	100,000
Retained Earnings	10	(37,931)
Shareholder Current Account		(27,630)
Total Equity	(C)	**34,439**
Non Current Liabilities	(D)	-
Current liabilities		
Trade Payables	11	-
Total Current Liabilities	(E)	-
Total Liabilities	(F)=(D+E)	-
Total Equity and Liabilities	(C+F)	**34,439**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

For Collective Near East Sourcing Services FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
COLLECTIVE NEAR EAST SOURCING SERVICES FZCO

Collective Near East Sourcing Services FZCO
Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	(figures in AED) 06.03.2024 to 31.03.2025
Revenue	13	-
Cost of revenue		-
Gross profit		-
General and administrative expenses	14	(37,931)
Finance Cost		-
Profit/ (Loss) for the period		**(37,931)**
Attributable to:		
- Shareholder of the Company		(37,931)
- Non-controlling interest		-
		(37,931)
Other comprehensive income		
- Items that will not be reclassified subsequent to profit or loss		-
- Items that will be reclassified subsequent to profit or loss		-
Total Comprehensive income for the period		**(37,931)**
Attributable to:		
- Shareholder of the Company		(37,931)
- Non-controlling interest		-
		(37,931)

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

For Collective Near East Sourcing Services FZCO

Rahul

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
COLLECTIVE NEAR EAST SOURCING SERVICES FZCO

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates
Statement of changes in equity **for the period ended March 31, 2025**

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced on March 6, 2024	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(37,931)	-	**(37,931)**
Net Movements during the Period	-	-	(27,630)	**(27,630)**
Balance as at March 31, 2025	**100,000**	**(37,931)**	(27,630)	**34,439**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For Collective Near East Sourcing Services FZCO

Mr. Rahul Khettry
Authorized Signatory

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Cash Flow Statement for the period ended March 31, 2025

	(figures in AED) 06.03.2024 to 31.03.2025
Cash Flows from operating activities	
Net Profit/ (Loss) for the period	(37,931)
Adjustments:	
Depreciation	-
Financial Charges	-
Net cash from operating activities	**(37,931)**
Changes in working capital	
(Increase)/Decrease in other current assets	(34,439)
Increase/(Decrease) in Other payables	-
Net cash used in operating activities	**(72,370)**
Cash Flow from investing activities	
Purchase of fixed assets	-
Net cash used in investing activities	-
Cash Flows from financing activities	
Share Capital Introduced	100,000
Finance Charges	-
Shareholder Current Account	(27,630)
Net cash generated in financing activities	**72,370**
Net increase in cash and cash equivalents	-
Cash and cash equivalents beginning of period	-
Cash and cash equivalents end of period	-
Represented by:	
Cash Balance	-
Bank Balance	-
	-

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For Collective Near East Sourcing Services FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
COLLECTIVE NEAR EAST SOURCING SERVICES FZCO

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

15.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

15.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

16 COMPARATIVE FIGURES

The fiscal period covers the period of 12 months and 26 days from March 6, 2024 to March 31, 2025. Comparative figures are not available as the financial statements are being presented for the first time since incorporation of the Company.

17 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on April 25, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

For Collective Near East Sourcing Services FZCO

Rahul Khettry

Mr. Rahul Khettry
Authorized Signatory

DUBAI - U.A.E
COLLECTIVE NEAR EAST SOURCING SERVICES FZCO

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 LEGAL STATUS :

Collective Near East Sourcing Services FZCO is incorporated on **March 06, 2024 under License No.-06133 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2.Mr.Abhishekh Kanoi

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms trading

(b) Clothing accessories trading

(c) Footwear trading

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

For the period ended March 31, 2024, the company had a net loss of AED 37,931 against share capital of AED 100,000. The financial statement have been prepared on a going concern basis as the shareholder agreed to provide the company with adequate financial support to enable it to meet its financial commitments for the foreseeable future.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2023 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2023 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

Collective Near East Sourcing Services FZCO
Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

Collective Near East Sourcing Services FZCO
Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and
- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Collective Near East Sourcing Services FZCO

Premises No. 2E M043, Mezzanine Floor, 2 East, Dubai Airport Freezone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	(figures in AED) 06.03.2024 to 31.03.2025
7 Advances, Deposits and Trade receivables	
DAFZA Portal Balance	-
Prepaid Expenses	34,439
	34,439
8 Cash And Cash Equivalents	
Cash balance	-
Bank balance	-
	-

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	100%	100	100,000
	Total	**100%**	**100**	**100,000**

	06.03.2024 to 31.03.2025
10 Retained Earnings	
Balance at the beginning of the Period	-
Profit/(Loss) for the Period	(37,931)
Balance at the end of the Period	**(37,931)**
11 Trade & Other Payables	
Other Payables	-
	-

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Company registration number 14681943 (England and Wales)

DESIGN ARC BRANDS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

UHY

DESIGN ARC BRANDS LIMITED

COMPANY INFORMATION

Directors	B Shah R Chadha M Arora
Company number	14681943
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW

DESIGN ARC BRANDS LIMITED

CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company is that of the wholesale and retail of clothing, footwear and accessories.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B Shah
R Chadha
M Arora

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company’s auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company’s auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Rakesh Chadha

R Chadha
Director

9 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC BRANDS LIMITED

Opinion

We have audited the financial statements of Design Arc Brands Limited (the 'company') for the year ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC BRANDS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC BRANDS LIMITED (CONTINUED)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC BRANDS LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 9 May 2025

Chartered Accountants
Statutory Auditor

DESIGN ARC BRANDS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Revenue	**2**	163,969	13,195
Cost of sales		(100,251)	(23,573)
Gross profit/(loss)		63,718	(10,378)
Distribution costs		(34,096)	(78,121)
Administrative expenses		(990,084)	(984,694)
Operating loss	**3**	(960,462)	(1,073,193)
Tax on loss		-	-
Loss and total comprehensive income for the financial year		(960,462)	(1,073,193)

DESIGN ARC BRANDS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**5**		8,028		-
Property, plant and equipment	**6**		16,403		-
Investments	**7**		486,475		-
			510,906		-
Current assets					
Inventories	**9**	370,113		165,552	
Trade and other receivables	**10**	132,425		42,796	
Cash and cash equivalents		63,438		34,681	
		565,976		243,029	
Current liabilities	**11**	(3,110,437)		(1,316,122)	
Net current liabilities			(2,544,461)		(1,073,093)
Net liabilities			(2,033,555)		(1,073,093)
Equity					
Called up share capital	**14**		100		100
Retained earnings			(2,033,655)		(1,073,193)
Total equity			(2,033,555)		(1,073,093)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 May 2025 and are signed on its behalf by:

Rakesh Chadha

R Chadha
Director

Company registration number 14681943 (England and Wales)

DESIGN ARC BRANDS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 22 February 2023		-	-	-
Period ended 31 March 2024:				
Loss and total comprehensive income		-	(1,073,193)	(1,073,193)
Transactions with owners:				
Issue of share capital	**14**	100	-	100
Balance at 31 March 2024		100	(1,073,193)	(1,073,093)
Year ended 31 March 2025:				
Loss and total comprehensive income		-	(960,462)	(960,462)
Balance at 31 March 2025		100	(2,033,655)	(2,033,555)

1 Accounting policies

Company information

Design Arc Brands Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 22 February 2023. The comparative results for the period ended 31 March 2024 therefore represent 13 months.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirement to present a statement of cash flows and related notes.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 17.

1.3 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that at the balance sheet date, the company's had net liabilities of £2,033,555 (2024: £1,073,093).

In view of this uncertainty the directors have obtained confirmation of financial support from the parent company who will not seek repayment of the amounts owed until such time as the company is able to repays its debts. By taking this and future plans in consideration, the directors consider the going concern basis to be appropriate because the company will continue to obtain sufficient funding from within the group to enable it to pay its debts as they fall due for the next 15 months.

1 Accounting policies **(Continued)**

1.4 Revenue

Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

1.5 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer software	3 years straight line

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1 Accounting policies **(Continued)**

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Accounting policies **(Continued)**

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1 Accounting policies **(Continued)**

1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Sale of clothing	163,969	13,195

	2025	2024
	£	£
Revenue analysed by geographical market		
United Kingdom	163,969	13,195

3 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange (gains)/losses	(1,613)	1,361
Depreciation of property, plant and equipment	1,372	-
Amortisation of intangible assets (included within administrative expenses)	472	-
Cost of inventories recognised as an expense	89,721	23,573

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management	3	3
Designers, sales and admin	9	8
Total	12	11

4 Employees (Continued)

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	598,523	605,791
Social security costs	63,358	55,505
Pension costs	8,450	7,151
	670,331	668,447

The directors acting during the period are remunerated by other group companies. There are no identifiable qualifying services for this company in 2025.

5 Intangible fixed assets

	Software
	£
Cost	
Additions - purchased	8,500
At 31 March 2025	8,500
Amortisation and impairment	
Charge for the year	472
At 31 March 2025	472
Carrying amount	
At 31 March 2025	8,028

6 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2024	-	-	-
Additions	13,648	4,127	17,775
At 31 March 2025	13,648	4,127	17,775

6 Property, plant and equipment (Continued)

	Fixtures and fittings	Computers	Total
	£	£	£
Accumulated depreciation and impairment			
At 1 April 2024	-	-	-
Charge for the year	612	760	1,372
At 31 March 2025	612	760	1,372
Carrying amount			
At 31 March 2025	13,036	3,367	16,403

7 Investments

	Current		Non-current	
	2025	2024	2025	2024
	£	£	£	£
Investments in subsidiaries	-	-	486,475	-

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in non-current investments

	Shares in subsidiaries
	£
Cost or valuation	
At 1 April 2024	-
Additions	486,475
At 31 March 2025	486,475
Carrying amount	
At 31 March 2025	486,475
At 31 March 2024	-

8 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Address	Class of shares held	% Held Direct
Lillyandsid Limited	United Kingdom	Ordinary shares	100.00

Registered office addresses (all UK unless otherwise indicated):

1 Cedar Lodge Main Road, Kilsby, Rugby, Warwickshire, CV23 8XP

9 Inventories

	2025 £	2024 £
Finished goods	370,113	165,552

10 Trade and other receivables

	2025 £	2024 £
Trade receivables	54,140	741
VAT recoverable	50,220	24,057
Amounts owed by fellow group undertakings	13,135	-
Other receivables	8,476	13,315
Prepayments and accrued income	6,454	4,683
	132,425	42,796

11 Liabilities

	Notes	2025 £	2024 £
Trade and other payables	12	3,098,194	1,304,269
Taxation and social security		12,243	11,853
		3,110,437	1,316,122

12 Trade and other payables

	2025	2024
	£	£
Trade payables	99,728	21,316
Amount owed to parent undertaking	2,444,079	1,251,614
Amounts owed to fellow group undertakings	508,384	24,923
Accruals and deferred income	6,500	5,500
Other payables	39,503	916
	3,098,194	1,304,269

13 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	8,450	7,151

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

14 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

In the prior year, 100 shares were issued at £1 par value.

15 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2025	2024
	£	£
Minimum lease payments under operating leases	16,440	-

15 Other leasing information (Continued)

Set out below are the future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities:

	2025	2024
Land and buildings	**£**	**£**
Within one year	-	13,272

16 Related party transactions

As at the year end, the company was owed £13,135 (2024: £nil) from Lily and Sid Limited.

As at the year end, the company owed £16,959 (2024: £24,923) to Lily and Lionel London Limited.

During the year, the company paid management charges to Design Arc UK Limited of £nil (2024: £2,144). As at the year end, the company owed £2,444,079 (2024: £1,251,614) to Design Arc UK Limited, its parent company.

As at the year end, the company owed £4,950 (2024: £nil) to Design Arc Asia Limited.

As at the year end, the company owed £486,475 (2024: £nil) to Nor Lanka Manufacturing Limited.

The above companies are all part of the PDS Limited group.

17 Controlling party

The immediate parent company is Design Arc UK Limited by virtue of its 100% ownership of the ordinary share capital.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

DESIGN ARC BRANDS LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

DESIGN ARC BRANDS LIMITED

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

		Year ended 31 March 2025		Period ended 31 March 2024
		£		£
Revenue				
Sales of goods		163,969		13,195
Cost of sales		(100,251)		(23,573)
Gross profit/(loss)	38.86%	63,718	78.65%	(10,378)
Distribution costs		(34,096)		(78,121)
Administrative expenses		(990,084)		(984,694)
Operating loss		(960,462)		(1,073,193)

DESIGN ARC BRANDS LIMITED

SCHEDULES TO THE INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Cost of sales		
Opening stock of finished goods	165,552	-
Purchases and other direct costs		
Finished goods purchases	274,626	188,203
Direct costs	19,656	922
Commissions payable	10,530	-
Total purchases and other direct costs	304,812	189,125
Total cost of sales	100,251	23,573
Distribution costs		
Designing expenses	3,887	38,521
Samples	8,017	21,860
Storage	22,192	17,740
	34,096	78,121

DESIGN ARC BRANDS LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

	Year ended 31 March 2025 £	Period ended 31 March 2024 £
Administrative expenses		
Wages and salaries	598,523	605,791
Social security costs	63,358	55,505
Staff recruitment costs	22,400	21,075
Staff welfare	3,073	4,593
Staff pension costs defined contribution	8,450	7,151
Management charge	6,632	8,553
Rent re operating leases	14,425	11,371
Cleaning	125	-
Computer running costs	55,456	15,415
Software costs	5,143	-
Motor running expenses	50	1,570
Travelling expenses	27,022	53,217
Postage, courier and delivery charges	4,183	429
Professional subscriptions	9,583	3,096
Legal and professional fees	5,678	27,758
Consultancy fees	23,845	4,470
Audit fees	6,850	5,500
Bank charges	2,216	1,503
Transaction charges	1,566	-
Insurances (not premises)	3,996	824
Printing and stationery	495	5,154
Advertising	120,025	140,501
Telecommunications	1,562	1,864
Other office supplies	4,387	7,911
Entertaining	640	133
Sundry expenses	170	(51)
Amortisation	472	-
Depreciation	1,372	-
Profit or loss on foreign exchange	(1,613)	1,361
	990,084	984,694

Company registration number 10440973 (England and Wales)

DESIGN ARC UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

DESIGN ARC UK LIMITED

COMPANY INFORMATION

Directors	Mr R Chadha Mr A Kanoi Mr M Arora
Secretary	Mr K Kanodia
Company number	10440973
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditor	UHY Hacker Young Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW

DESIGN ARC UK LIMITED

CONTENTS

DESIGN ARC UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the company continued to be that of providing design, sourcing and marketing services.

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Chadha
Mr A Kanoi
Mr M Arora

Auditor
The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Rakesh Chadha

Mr R Chadha
Director

12 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DESIGN ARC UK LIMITED

Opinion

We have audited the financial statements of Design ARC UK Limited (the 'company') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC UK LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DESIGN ARC UK LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young 12 May 2025

Chartered Accountants
Statutory Auditor

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Revenue	3	2,289,444	4,142,482
Distribution costs		(82,390)	(79,648)
Administrative expenses		(3,068,841)	(3,221,184)
Operating (loss)/profit	4	(861,787)	841,650
Investment income	7	8,750	3,646
Finance costs	8	(33,894)	(30,634)
(Loss)/profit before taxation		(886,931)	814,662
Tax on (loss)/profit	9	176,093	29,669
(Loss)/profit and total comprehensive income for the financial year		(710,838)	844,331

The income statement has been prepared on the basis that all operations are continuing operations.

DESIGN ARC UK LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Non-current assets					
Intangible assets	**10**		8,492		13,219
Property, plant and equipment	**11**		875,681		755,863
Investments	**12**		200		200
Deferred tax asset	**19**		175,020		-
			1,059,393		769,282
Current assets					
Trade and other receivables	**14**	4,948,966		3,560,446	
Cash and cash equivalents		528,902		127,328	
		5,477,868		3,687,774	
Current liabilities	**15**	(4,622,793)		(1,996,443)	
Net current assets			855,075		1,691,331
Total assets less current liabilities			1,914,468		2,460,613
Non-current liabilities	**15**		(742,927)		(603,854)
Provisions for liabilities					
Deferred tax liabilities	**19**		-		(1,073)
Net assets			1,171,541		1,855,686
Equity					
Called up share capital	**22**		50,000		50,000
Other reserves	**23**		190,000		163,307
Retained earnings			931,541		1,642,379
Total equity			1,171,541		1,855,686

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2025

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 May 2025 and are signed on its behalf by:

Rakesh Chadha

Mr R Chadha
Director

Company registration number 10440973 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Share capital £	Other reserves £	Retained earnings £	Total £
Balance at 1 April 2023	50,000	113,112	798,048	961,160
Year ended 31 March 2024:				
Profit and total comprehensive income	-	-	844,331	844,331
Transactions with owners:				
Other movements	-	50,195	-	50,195
Balance at 31 March 2024	50,000	163,307	1,642,379	1,855,686
Year ended 31 March 2025:				
Loss and total comprehensive income	-	-	(710,838)	(710,838)
Transactions with owners:				
Other movements	-	26,693	-	26,693
Balance at 31 March 2025	50,000	190,000	931,541	1,171,541

1 Accounting policies

Company information
Design ARC UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- presentation of a statement of cash flows and related notes;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 ‘Presentation of Financial Statements’ to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 29.

These financial statements do not reflect the consolidation of the company's subsidiaries and are not statutory financial statements. The directors have nonetheless prepared and presented on the basis they are statutory financial statements for disclosure purposes in all other aspects.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1 Accounting policies **(Continued)**

1.3 Revenue
Revenue is measured at the fair value of the consideration received or receivable net of VAT.

Commission receivable is earned when the supplier ships the goods to the end customers.

Marketing fees receivable is earned when the supplier ships the goods to the end customers.

1.4 Intangible assets other than goodwill
Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is charged on the following basis:

Computer software	3 years straight line

1.5 Property, plant and equipment
Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the term of the lease
Leasehold improvements	5 years straight line
Fixtures and fittings	5 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Non-current investments
Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

1.7 Impairment of tangible and intangible assets

At each reporting end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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, but 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

1 Accounting policies **(Continued)**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

1 Accounting policies **(Continued)**

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Share-based payments

The company operates an employee share ownership plan (ESOP) trust and has de facto control of the shares held by the trust and bears their benefits and risks. The company records assets and liabilities of the trust as its own. Consideration paid by the ESOP scheme for shares of the company is deducted from equity. Finance costs and administrative expenses incurred by the company in relation to the ESOP are recognised on an accruals basis.

The parent company PDS Limited has issued share options to certain directors. These are measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant using the Black - Scholes option pricing model. The fair value will be charged as an expense in the profit or loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting.

1.16 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently 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 of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

1 Accounting policies **(Continued)**

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.18 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

2 Critical accounting estimates and judgements

In the application of the company’s accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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.

Information about such judgements and estimates is contained in either the accounting policies or in the notes to the financial statements.

Key sources of estimation uncertainty

Valuations of lease liability & right-of-use asset

The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities and the right-of-use assets. These include determining the interest rate used for discounting of future cashflows. The present value of the lease payment is determined using the discount rate representing the company’s incremental borrowing rate.

Share-based payments

The Group operates an employee compensation scheme, settled in equity. The fair value of equity-settled share-based payment arrangements requires significant judgement in the determination of the valuation of options, or the assumptions regarding vesting conditions being met, which will affect the expense recognised during the period.

These assumptions include the future volatility of the Parent's share price, future dividend yield and the rate at which awards will lapse or be forfeited. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. The fair value attributed to the awards, and hence the charge made in the income statement, could be materiality affected should different assumptions be made to those applied by the Group. Details of these assumptions are set out in note 21. The Group uses a professional valuer in the determination of the fair value of options at grant date.

3 Revenue

	2025	2024
	£	£
Revenue analysed by class of business		
Commission receivable	1,142,105	2,572,852
Marketing fees receivable	1,147,339	1,569,630
	2,289,444	4,142,482

4 Operating (loss)/profit

Operating (loss)/profit for the year is stated after charging/(crediting):	2025 £	2024 £
Exchange losses	1,390	7,307
Depreciation of property, plant and equipment	222,683	174,232
Loss on disposal of property, plant and equipment	901	-
Amortisation of intangible assets (included within administrative expenses)	4,727	4,745
Share-based payments	26,693	50,195

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Design	20	24
Sales	8	5
Management	3	3
Accounts/HR	3	-
Total	34	32

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	1,805,236	2,055,384
Social security costs	240,549	242,934
Pension costs	27,537	21,359
	2,073,322	2,319,677

6 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	371,500	882,500
Company pension contributions to defined contribution schemes	2,642	2,642
	374,142	885,142

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2025	2024
	£	£
Remuneration for qualifying services	235,000	524,520
Company pension contributions to defined contribution schemes	1,321	1,321

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2024: 2).

2 of the directors are paid under the Group's share option scheme.

7 Investment income

	2025	2024
	£	£
Interest income		
Other interest income	8,750	3,646

8 Finance costs

	2025	2024
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on lease liabilities	33,894	30,634

9 Taxation

	2025	2024
	£	£
Current tax		
Adjustments in respect of prior periods	-	6,241

9 Taxation (Continued)

	2025	2024
	£	£
Deferred tax		
Origination and reversal of temporary differences	(176,093)	(35,910)
Total tax (credit)	(176,093)	(29,669)

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2025	2024
	£	£
(Loss)/profit before taxation	(886,931)	814,662
Expected tax (credit)/charge based on a corporation tax rate of 25.00% (2024: 25.00%)	(221,733)	203,666
Group relief	-	(275,486)
Under/(over) provided in prior years	-	6,241
Deferred tax adjustments in respect of prior years	-	35,910
Tax losses	221,733	-
Deferred tax asset	(176,093)	-
Taxation credit for the year	(176,093)	(29,669)

10 Intangible fixed assets

	Software
	£
Cost	
At 31 March 2024	24,128
At 31 March 2025	24,128

10 Intangible fixed assets (Continued)

	Software
	£
Amortisation and impairment	
At 31 March 2024	10,909
Charge for the year	4,727
At 31 March 2025	15,636
Carrying amount	
At 31 March 2025	8,492
At 31 March 2024	13,219

11 Property, plant and equipment

	Leasehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 April 2024	1,129,570	138,507	59,808	85,464	1,413,349
Additions	301,694	-	28,359	12,448	342,501
At 31 March 2025	1,431,264	138,507	88,167	97,912	1,755,850
Accumulated depreciation and impairment					
At 1 April 2024	514,080	62,232	39,929	41,245	657,486
Charge for the year	152,165	27,702	24,243	18,573	222,683
At 31 March 2025	666,245	89,934	64,172	59,818	880,169
Carrying amount					
At 31 March 2025	765,019	48,573	23,995	38,094	875,681
At 31 March 2024	615,490	76,275	19,879	44,219	755,863

11 Property, plant and equipment (Continued)

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	**2025**	**2024**
	£	**£**
Net values at the year end		
Property	765,019	615,501
Depreciation charge for the year		
Property	152,165	111,961

12 Investments

	Current		Non-current	
	2025	**2024**	**2025**	**2024**
	£	**£**	**£**	**£**
Investments in subsidiaries	-	-	200	200

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost
The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	**Address**	**Class of shares held**	**% Held Direct**
Lily and Lionel London Limited	England and Wales	Ordinary £1 shares	100.00
Design Arc Brands Limited	England and Wales	Ordinary £1 shares	100.00

Registered office addresses (all UK unless otherwise indicated):

Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW

14 Trade and other receivables

	2025	2024
	£	£
VAT recoverable	33,279	23,934
Amounts owed by subsidiary undertakings	967,431	1,948,010
Amounts owed by fellow group undertakings	3,470,369	784,271
Other receivables	136,740	550,422
Prepayments and accrued income	341,147	253,809
	4,948,966	3,560,446

All amounts are due to be recovered within 12 months of the balance sheet date. The fair value of trade and other receivables is the same as the carrying value shown above.

The maximum exposure to credit risk for trade and other receivables is represented by their carrying amount.

15 Liabilities

		Current		Non-current	
		2025	2024	2025	2024
	Notes	£	£	£	£
Trade and other payables	17	4,365,414	1,818,774	-	-
Taxation and social security		105,538	60,132	-	-
Lease liabilities	18	151,841	117,537	742,927	603,854
		4,622,793	1,996,443	742,927	603,854

16 Fair value of financial liabilities

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

17 Trade and other payables

	2025	2024
	£	£
Amounts owed to fellow group undertakings	4,093,832	1,721,009
Accruals and deferred income	17,500	21,683
Other payables	254,082	76,082
	4,365,414	1,818,774

Trade payables and accrued expenses mainly comprise of amounts owed for trading purchases and associated costs.

All trade and other payables are due to be paid within 12 months of the balance sheet date. The fair value of trade and other payables are the same as the carrying value shown above.

18 Lease liabilities

	2025	2024
Maturity analysis	£	£
Within one year	183,980	205,247
In two to five years	775,833	721,391
Total undiscounted liabilities	959,813	826,950
Future finance charges and other adjustments	(65,045)	(105,559)
Lease liabilities in the financial statements	894,768	721,391

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2025	2024
	£	£
Current liabilities	151,841	117,537
Non-current liabilities	742,927	603,854
	894,768	721,391

18 Lease liabilities (Continued)

Amounts recognised in profit or loss include the following:	2025 £	2024 £
Interest on lease liabilities	33,894	30,634

Other leasing information is included in note 24.

19 Deferred taxation

	2025 £	2024 £
Deferred tax liabilities	-	1,073
Deferred tax assets	(175,020)	-
	(175,020)	1,073

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £	Tax losses £	Total £
Deferred tax liability at 1 April 2023	36,983	-	36,983
Deferred tax movements in prior year			
Credit to profit or loss	(35,910)	-	(35,910)
Deferred tax liability at 1 April 2024	1,073	-	1,073
Deferred tax movements in current year			
Credit to profit or loss	20,237	(196,330)	(176,093)
Deferred tax asset at 31 March 2025	21,310	(196,330)	(175,020)

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

20 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	27,537	21,359

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Share-based payments

Options outstanding
The options outstanding at 31 March 2025 had an exercise price in the range of INR 133 to INR 174.91 (2024: INR 137.26 to INR 219) and a weighted average contractual life of 0.6 years (2024: 1.6 years).

There were no options exercised in 2025 (2024: 15,000).

Expenses		
Related to equity settled share based payments	26,693	50,195

21 Share-based payments (Continued)

Share options were granted to the employees of the company on 22/10/2021. There are performance conditions attached to these options. Options granted under this plan vest as follows;

a. 25% of the options vest at the end of 1st year from the date of Grant,
b. 25% of the options vest at the end of 2nd year from the date of Grant,
c. 25% of the options vest at the end of 3rd year from the date of Grant,
d. 25% of the options vest at the end of 4th year from the date of Grant,

Exercise of an option is subject to continuous employment and fulfilling the conditions as set out in the grant letter.

Options were valued used the Black-Scholes option-pricing model. The fair value per option granted and the assumptions used in the calculations are as follows;

Grant date	22/10/2021
Share price at grant date	INR 273.80
Exercise price	INR 219.00
Number of employees	3
Shares under option	185,000
Vesting period (years)	4
Option life (years)	4
Expected life (years)	4
Fair value per option:	
Year 1	INR 94.80
Year 2	INR 107.00
Year 3	INR 117.20
Year 4	INR 125.20

The exercise price, and hence the fair value, of the options is denominated in INR and has been translated in the table above at the exchange rate on the date of grant being INR 103.194 = £1.

22 Share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
50,000 Ordinary shares of £1 each	50,000	50,000	50,000	50,000

23 Other reserves

	2025	2024
	£	£
At the beginning of the year	163,307	113,112
Other movements	26,693	50,195
At the end of the year	190,000	163,307

The above relates to the share-based payment reserves.

24 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2025	2024
	£	£
Expense relating to short-term leases	85,600	84,000

Set out below are the future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities:

	2025	2024
Land and buildings	£	£
Within one year	8,000	-

Information relating to lease liabilities is included in note 18.

25 Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern whilst maximising the return to stakeholders through the optimization of the equity balance. The capital structure of the company consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising of issued capital, reserves and retained earnings. The company also receives borrowings from its parent and fellow group companies.

The company is not subject to any externally imposed capital requirements.

26 Financial Risk Management

The following section provides quantitative and qualitative disclosures on the effect that these risks have upon the company.

Credit Risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies where available the company uses other publicly available financial information. The company's exposure and the credit ratings of its counterparties are continuously monitored.

The company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics.

The company's principal financial assets are receivables and cash at bank.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash. Management monitors forecasts of the company's liquidity reserve, comprising cash and cash equivalents, on the basis of expected cash flow. At 31 March 2025, the company held cash and cash equivalents of £528,902 (2024: £127,328).

Foreign currency risk
The company's functional and presentation currency and the majority of its spending as well as financing facilities are in GBP. As such, no exchange rate risk exists. The company has no deposit or loan facilities, hence is not affected by interest rate fluctuations.

27 Related party relationships and transactions

During the year, the company entered into transactions, in the ordinary course of business, with the following related parties;

	Value of services (sold)/purchased by the company		Balance included within (trade creditors)/trade debtors at year end	
	2025	2024	2025	2024
	£	£	£	£
Poeticgem Limited, UK	-	-	(20,174)	(24,290)
Design Arc Asia Limited, Hong Kong	(1,142,105)	(2,572,852)	(4,066,585)	(1,696,719)
Norwest Limited	-	-	(4,456)	-
PDS Fashions Limited	77,000	-	(2,615)	-
Design Arc Asia FZCO	(180,321)	-	179,419	124,904
PDS Limited	(354,754)	(1,114,639)	234,370	589,123
Twins Asia FZCO	(475,938)	(454,989)	276,149	70,243
Twins Asia Limited	(491,079)	-	336,353	-
Lily and Lionel London Limited	-	-	967,431	696,396
Design Arc Brands Limited	-	(2,144)	2,444,079	1,251,614

The above companies are all part of the PDS Limited group.

28 Directors' transactions

During the prior year, the company made a loan to a director, R Chadha, of £500,000. There was interest of 3.5% charged on the balance of £8,750 (2024: £3,646). As at the year end, the balance outstanding was £63,396 (2024: £503,646).

29 Controlling party

The controlling party of the company is PDS Sourcing Limited by virtue of its 85% ownership of the ordinary share capital and overall board control.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

DESIGN ARC UK LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

DESIGN ARC UK LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

		2025		2024
	£	£	£	£
Revenue				
Commission receivable		1,142,106		2,572,854
Marketing fees receivable		1,147,338		1,569,628
		2,289,444		4,142,482
Distribution costs	82,390		79,648	
Administrative expenses	3,068,841		3,221,184	
		(3,151,231)		(3,300,832)
Operating (loss)/profit		(861,787)		841,650
Investment revenues				
Finance costs				
Finance lease interest payable		(33,894)		(30,634)
(Loss)/profit before taxation		(886,931)		814,662

DESIGN ARC UK LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Distribution costs		
Designing charges	33,494	20,866
Storage charges	4,976	4,681
Samples	43,920	54,101
	82,390	79,648
Administrative expenses		
Wages and salaries	1,407,043	1,122,689
Social security costs	163,640	123,600
Staff recruitment costs	31,727	16,379
Staff welfare	28,044	30,243
Staff training	13,419	15,521
Staff pension costs defined contribution	24,895	18,717
Equity settled share based payment costs	26,693	50,195
Directors' remuneration	371,500	882,500
Directors' social security costs	76,909	119,334
Directors' pension costs - defined contribution scheme	2,642	2,642
Rent re operating leases	62,779	63,461
Rates	91,389	75,146
Cleaning	15,613	23,932
Power, light and heat	12,846	16,400
Computer running costs	41,645	44,744
Motor running expenses	14,417	12,810
Travelling expenses	132,956	183,303
Postage, courier and delivery charges	47,855	45,045
Professional subscriptions	623	-
Legal and professional fees	42,771	12,359
Consultancy fees	98,143	7,140
Audit fees	7,158	12,183
Charitable donations	37,260	76,755
Bank charges	1,933	1,301
Insurances (not premises)	23,752	8,942
Printing and stationery	7,831	9,268
Marketing	-	392
Telecommunications	5,653	4,533
Other office supplies	21,220	48,228
Entertaining	11,151	8,295
Sundry expenses	15,633	987
Management fees receivable	-	(2,144)
Amortisation	4,727	4,745
Depreciation	222,683	174,232
Profit or loss on sale of tangible assets (non exceptional)	901	-

DESIGN ARC UK LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	£	£
Profit or loss on foreign exchange	1,390	7,307
	3,068,841	3,221,184

DESIGN HUB SOURCING FZCO

Audited Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS Multinational FZCO Mr. Mohammad Masum Sarkar Ms. Habiba Akther
License No		05396

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Business Address	:	Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	HSBC Bank Emirates NBD Bank
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the period ended March 31, 2025

Principal activities of the Entity:
The activity of the company are as follows:-
(a) Clothing, including sports clothes and uniforms Trading
(b) Clothing accessories Trading
(c) Footwear Trading

Financial review:

The table below summarizes the results of 2023-24 & 2024-25

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**10.04.2023 to 31.03.2024**
Revenue	23,929,204	4,561,317
Gross profit/(Loss) for the period	2,576,718	588,359
Net profit/(Loss) for the period	357,025	323,297

Role of the Manager:
The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:
In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR DESIGN HUB SOURCING FZCO

Mr. RAHUL KHETTRY
Authorized Signatory

DESIGN HUB SOURCING FZCO Dubai - U.A.E

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
DESIGN HUB SOURCING FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **DESIGN HUB SOURCING FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

علياء للمحاسبة القانونية DUBAI - U.A.E. ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 02nd May, 2025

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 10.04.2023 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Total Non-Current Assets	**(A)**	-	-
Current Assets			
Advances, deposits and other receivables	7	4,869,049	3,634,331
Cash and Cash Equivalents	8	247,217	37,032
Total Current Assets	**(B)**	**5,116,266**	**3,671,363**
Total Assets	**(A+B)**	**5,116,266**	**3,671,363**
Equity			
Share Capital	9	367,000	100,000
Retained Earnings		680,322	323,297
Shareholder Current Account		-	-
Total Equity	**(C)**	**1,047,322**	**423,297**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Advance, Trade & Other Payables	10	1,268,032	1,144,642
Short Term Loan	11	1,833,000	1,833,000
Due to Related Party	12	967,912	270,424
Total Current Liabilities	**(E)**	**4,068,944**	**3,248,066**
Total Liabilities	**(F)=(D+E**	**4,068,944**	**3,248,066**
Total Equity and Liabilities	**(C+F)**	**5,116,266**	**3,671,363**

The attached notes form an integral part of these accounts.

Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR DESIGN HUB SOURCING FZCO

Mr. RAHUL KHETTRY
Authorized Signatory

DESIGN HUB SOURCING FZCO Dubai - U.A.E

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the period ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 10.04.2023 to 31.03.2024
Revenue	13	23,929,204	4,561,317
Cost of revenue	14	(21,352,486)	(3,972,958)
Gross profit		**2,576,718**	**588,359**
General and administrative expenses	15	(2,300,345)	(316,605)
Finance Cost		80,652	51,543
Profit/ (Loss) for the period		**357,025**	**323,297**
Attributable to:			
- Shareholder of the Company		357,025	323,297
- Non-controlling interest		-	-
		357,025	**323,297**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**357,025**	**323,297**
Attributable to:			
- Shareholder of the Company		357,025	323,297
- Non-controlling interest		-	-
		357,025	**323,297**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR DESIGN HUB SOURCING FZCO

Rahul Khetry

Mr. RAHUL KHETTRY
Authorized Signatory

Dubai - U.A.E DESIGN HUB SOURCING FZCO

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity- for the period ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced on April 10, 2023	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	323,297	-	**323,297**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	**323,297**	-	**423,297**
Profit/(Loss) for the Period	-	357,025	-	**357,025**
Net Movements during the Period	267,000	-	-	**267,000**
Balance as at March 31, 2025	**367,000**	**680,322**	-	**1,047,322**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR DESIGN HUB SOURCING FZCO

Mr. RAHUL KHETTRY
Authorized Signatory

Dubai - U.A.E
DESIGN HUB SOURCING FZCO

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Cash Flow Statement for the period ended March 31, 2025

(figures in AED)

	01.04.2024 to 31.03.2025	10.04.2023 to 31.03.2024
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	357,025	323,297
Adjustments:		
Depreciation	-	-
Financial Charges	-	-
Net cash from operating activities	**357,025**	**323,297**
Changes in working capital		
(Increase)/Decrease in Other current assets	(1,234,718)	(3,634,331)
Increase/(Decrease) in Trade payables	123,390	3,248,066
Increase/(Decrease) in Due to Group Company	697,488	-
Net cash used in operating activities	**(56,815)**	**(62,968)**
Cash Flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in investing activities	-	-
Cash Flows from financing activities		
Share Capital Introduced	267,000	100,000
Finance Charges	-	-
Shareholder Current Account	-	-
Net cash generated in financing activities	**267,000**	**100,000**
Net increase in cash and cash equivalents	210,185	37,032
Cash and cash equivalents beginning of period	37,032	-
Cash and cash equivalents end of period	**247,217**	**37,032**
Represented by:		
Cash Balance	-	-
Bank Balance	247,217	37,032
	247,217	**37,032**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR DESIGN HUB SOURCING FZCO

Mr. RAHUL KHETTRY
Authorized Signatory

Dubai - U.A.E
DESIGN HUB SOURCING FZCO

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

1 **LEGAL STATUS :**

DESGIN HUB SOURCING FZCO is incorporated on **April 10, 2023 under License No.- 05705 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 308, 5WA , Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2 **BUSINESS ACTIVITIES :**

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

3 **Basis of Preparation**

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

4 **Significant Accounting Judgments, Estimates And Assumptions**

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Standards and amendments effective for the current year

The following amendments which became effective on 1 January 2021 did not have any significant impact on the Company's financial statements:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark - Phase 2 (1 January 2021)

The Company has not early adopted any other amendments, improvements and interpretations that have been issued but is not yet effective

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

- Amendments to IFRS 3 – Reference to Conceptual Framework (1 January 2022)
- Amendments to IAS 37 – Onerous Contracts - Cost of Fulfilling a contract (1 January 2022)
- Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use (1 January 2022)
- Annual Improvements to IFRS Standards 2018-2020 (1 January 2022)
  -IFRS 9 Financial Instruments
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current (1 January 2023)

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement

Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition

Financial asset is derecognized when:

- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or
has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

		(figures in AED)
	01.04.2024 to 31.03.2025	**10.04.2023 to 31.03.2024**
7 Advances, deposits and Trade receivables		
DIEZ E-Wallet	17,520	23,032
Trade Receivables	2,792,765	2,103,256
Other Advances	1,997,250	1,508,043
Prepaid Expenses	61,514	-
	4,869,049	**3,634,331**
8 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	247,217	37,032
	247,217	**37,032**

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 367,000/- divided into 367 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	60%	220	220,200
Mr. Mohammad Masum Sarkar	Republic of Bangladesh	20%	73	73,400
Ms. Habiba Akther	Republic of Bangladesh	20%	73	73,400
			367	**367,000**

	01.04.2024 to 31.03.2025	10.04.2023 to 31.03.2024
10 Advances, Trade & Other Payables		
Advance from Customers	193,656	51,483
Trade Payables	1,073,759	1,090,159
Other Payables	617	3,000
	1,268,032	**1,144,642**
11 Short Term Loan		
Unsecured Loan	1,833,000	1,833,000
	1,833,000	**1,833,000**

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

	31.03.2025	31.03.2024
Due to Related Party		
PDS Multinational FZCO	807,070	267,000
Norwest Industries Limited	-	3,424
Multinational Textile Group Limited	160,842	-
	967,912	**270,424**
13 Revenue		
Sale of Goods	23,929,204	4,561,317
	23,929,204	**4,561,317**
14 Cost of Revenue		
Cost of Good Sold	21,352,486	3,972,958
	21,352,486	**3,972,958**

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

15 General & Administrative Expenses

Salary and Other employee benefit expenses	1,704,264	63,310
Insurance	36,901	3,424
Legal and professional expenses	62,965	33,747
Visa Expenses	20,137	9,527
Other Expenses	370,606	(817)
Rent	16,644	18,961
Commission Expenses	-	171,341
License fees	17,040	17,112
Travelling Expenses	68,638	-
Forex Loss	3,150	-
	2,300,345	**316,605**

16 RISK MANAGEMENT

16.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

16.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

16.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

DESGIN HUB SOURCING FZCO

Premises 2E M034 , Mezzanine Floor, 2East, Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the period ended March 31, 2025

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

17 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from April 01, 2024, to March 31, 2025. The previous fiscal period covers the period of 11 months 20 days from April 10, 2023, to March 31, 2024. Previous year figures might be reclassified & regrouped to conform to the current year presentation.

18 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 2, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR DESIGN HUB SOURCING FZCO

Rahul Khetty

Mr. RAHUL KHETTRY
Authorized Signatory

Dubai - U.A.E
DESIGN HUB SOURCING FZCO

AUDITOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS
OF
GOODEARTH APPARELS LIMITED

AS AT AND FOR THE YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF GOODEARTH APPARELS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GoodEarth Apparels Limited which comprise the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the company give a true and fair view, in all material respects, the financial position of the company as at 31 March 2025 of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations 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 judgement and maintain professional skepticism throughout the audit. We also:

a) 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.

Main Office: Gulshan Pink City, Level: 7, Plot # 15, Road # 103, Gulshan, Dhaka-1212, Bangladesh; ☎ +880-2-8881824-6, aqasem@aqcbd.com
Chattogram Office: Faruk Mahal (3rd Floor), Plot # 93, Agrabad C/A, Chittagong-4100, Bangladesh; ☎ +880-31-715656, 718066, aqasemctg@aqcbd.com
Tax & Company Affairs Office: Ivory Krishnachura (5th Floor), 3/1-E, Purana Paltan, Dhaka-1000, Bangladesh; ☎ +880-2-9551103, 9584925, aqasemtax@aqcbd.com

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) Evaluate the overall presentation, structure and content of the Company' 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC:

Place: Dhaka
Date: 28 April 2025

GoodEarth Apparels Limited
Statement of Financial Position
As at 31 March 2025

	Notes	As at 31 March 2025	As at 31 March 2024
		Amounts in BDT	
Assets			
Non-current assets			
Property, plant and equipment	4.00	902,421,323	984,172,685
Intangible assets	5.00	19,070,226	30,222,444
IFRS- Right to use assets	6.00	-	14,147,951
Capital work in progress	7.00	8,401,023	5,020,265
Deferred tax assets	8.00	57,250,690	50,798,604
		987,143,262	**1,084,361,948**
Current assets			
Inventory	9.00	265,790,022	573,190,156
Advances, deposits and prepayments	10.00	301,188,674	209,165,220
Accounts receivable	11.00	353,606,371	163,008,366
Inter company receivables	12.00	501,435,605	365,658,114
Cash and cash equivalents	13.00	417,853,270	261,103,739
		1,839,873,942	**1,572,125,595**
Total assets		**2,827,017,204**	**2,656,487,543**
<u>Shareholders' equity & liabilities</u>			
Shareholders' equity			
Share capital	14.00	50,699,300	50,699,300
Preference Share Capital	15.00	1,722,077,500	1,722,077,500
Retained earnings		(155,063,003)	(368,454,729)
OCI Reserve for actuarial difference		7,198,119	7,198,119
		1,624,911,916	**1,411,520,190**
Liabilities			
Long term liabilities			
Post-retirement benefit obligation	16.00	35,409,457	29,917,641
Term Loan borrowings	17.00	48,035,393	42,700,000
Non-current portion of lease liability	18.00	-	8,559,652
		83,444,850	**81,177,293**
Current liabilities			
Current portion of lease liability	18.01	-	7,136,000
Secured short term bank borrowings	19.00	25,669,399	14,021,193
Trade and other payables	20.00	877,237,433	1,007,194,772
Inter company payables	21.00	215,750,000	135,438,098
		1,118,660,438	**1,163,790,063**
Total liabilities		**1,202,105,288**	**1,244,967,356**
Total shareholders' equity & liabilities		**2,827,017,204**	**2,656,487,543**

FOOTNOTES:
1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 34 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC:

Place: Dhaka
Date: 28 April 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited

Muhammad Shahed Mahmud
Director
GoodEarth Apparels Limited

GoodEarth Apparels Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2025

	Notes	For the year ended 31 March 2025 BDT	31 March 2024 BDT
Revenue			
Export sales	22.00	4,585,670,711	2,958,456,382
Less: cost of good sold	23.00	3,795,744,746	2,434,872,058
Gross profit		**789,925,966**	**523,584,324**
Other income	24.00	27,954,133	28,744,636
		817,880,098	**552,328,960**
Operating expenses			
Administrative expenses	25.00	369,231,279	317,551,703
Marketing & selling expenses	26.00	110,532,379	82,579,039
Operating depreciation	27.00	64,904,170	67,388,856
		544,667,827	**467,519,598**
Operating Profit/(Loss)		**273,212,272**	**84,809,363**
Financial Expenses	28.00	24,697,682	16,014,936
Profit/(Loss) before tax		**248,514,589**	**68,794,426**
Income tax expenses	29.00	35,122,863	37,003,228
Profit/(Loss) After tax		**213,391,727**	**31,791,198**
Other comprehensive income for the period			
Actuarial gain/(loss)	30.00	(3,165,735)	(3,575,753)
Total comprehensive loss for the period		**210,225,992**	**28,215,445**

FOOTNOTES:

1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 34 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

Kaustav Gupta

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC:

Place: Dhaka
Date: 28 April 2025

Muhammad Shahed Mahmud
Director
GoodEarth Apparels Limited

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

GoodEarth Apparels Limited
Statement of Changes in Shareholder's Equity
For the year ended 31 March 2025

Amounts in BDT

Particulars	Share capital	Retained earnings	OCI Reserve for actuarial difference	Share money deposit	Preference Share Capital	Total
Balance as at 31 March 2024	50,699,300	(368,454,729)	7,198,119	-	1,722,077,500	1,411,520,190
Addition during the period						
Share capital	-	-	-	-	-	-
Preference Sahre Capital	-	-	-	-	-	-
Share money deposit	-	-	-	-	-	-
Total comprehensive loss for the period	-	213,391,727	-	-		213,391,727
Balance as at 31 March 2025	50,699,300	(155,063,003)	7,198,119	-	1,722,077,500	1,624,911,917
Balance as at 31 March 2023	50,699,300	(400,245,927)	7,198,119	840,238,135	845,437,700	1,343,327,327
Addition during the period						
Share capital	-	-	-	-	-	-
Preference Sahre Capital	-	-	-	(876,639,800)	876,639,800	-
Share money deposit	-	-	-	36,401,665	-	36,401,665
Total comprehensive loss for the period	-	31,791,198	-	-		31,791,198
Prior year adjustment	-	-	-	-	-	(0)
Balance as at 31 March 2024	50,699,300	(368,454,729)	7,198,119	-	1,722,077,500	1,411,520,190

FOOTNOTES:
1. Auditors' Report - Page 1.
2. The accompanying notes 1-34 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A.Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC:

Place: Dhaka
Date: 28 April 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Kaustav Gupta

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited

Muhammad Shahed Mahmud
Director
GoodEarth Apparels Limited

GoodEarth Apparels Limited
Statement of Cash Flows
For the year ended 31 March 2025

	Notes	31 March 2025 BDT	31 March 2024 BDT
Cash flows from operating activities			
Profit/(Loss) before tax		248,514,589	68,794,426
Aadjustment for Non cash items			
Depreciation	4.00	119,368,997	107,813,745
Interest Expense	28.00	610,333	995,719
Changes in working capital			
(Increase)/decrease in current assets			
(Increase)/decrease in inventories		307,400,134	(7,587,846)
(Increase)/decrease in advances, deposits and prepayments		(92,023,454)	32,349,867
(Increase)/decrease in receivables		(190,598,005)	(30,585,999)
(Increase)/decrease in inter-company receivables		(135,777,492)	524,914,479
Increase/(decrease) in current liabilities			
Increase/(decrease) in trade and other payable		(129,957,339)	210,807,092
Increase/(decrease) in inter-company payable		80,315,510	(542,617,274)
Increase/(decrease) post-retirement benefit obligation		5,491,816	221,293
Increase/(decrease) contract liability (Sales Advance from Affiliates)		-	(133,518,229)
Cash generated from operating activities		**213,345,089**	**231,587,273**
Interest paid		-	-
Tax paid		61,165,031	50,890,076
Net cash flows from operating activities		**152,180,059**	**180,697,197**
Cash flows from investing activities			
Payment for Assets		(5,278,126)	(168,000,326)
Net cash used in investing activities		**(5,278,126)**	**(168,000,326)**
Cash flows from financing activities			
Increased share capital		-	-
Increased Preference Share Capital		-	876,639,800
Increased share money deposit		-	(840,238,135)
Payment for lease liability		(7,136,000)	(6,720,000)
Secured short term bank borrowings		11,648,206	2,911,593
Term Loan		5,335,393	-
Net cash generated by financing activities		**9,847,599**	**32,593,258**
Net change in cash and cash equivalents		156,749,531	45,290,129
Cash and cash equivalents at the beginning of the period		261,103,739	215,813,609
Cash and cash equivalents at the end of the period		**417,853,270**	**261,103,739**
Represented by:			
Cash at bank		408,950,169	237,478,359
Cheque in hand		5,600	234,300
Fund In Transit		7,876,247	22,371,642
Cash in hand		1,021,254	1,019,438
		417,853,270	261,103,739

FOOTNOTES:
1. Auditors' Report - Page 1-2.
2. The accompanying notes 1 - 34 form an integral part of these financial statements.
3. With reference to the Section 189 of the Companies Act 1994, only one director has signed the financial statements as the other directors were not present in Bangladesh at the time of signing of the financial statements.

A.Qasem & Co.
Chartered Accountants
FRC Enlistment No: CAF-001-129

Kaustav Gupta

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited

Ziaur Rahman Zia FCA
Partner
Enrolment Number: 1259

DVC:

Place: Dhaka
Date: 28 April 2025

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Muhammad Shahed Mahmud
Director
GoodEarth Apparels Limited

1.00 Significant accounting policies and other material information

1.01 Company profile

GoodEarth Apparels Ltd. (the "Company") changed from Green Smart Shirts Limited as on 6 November 2023 vide letter issue no. 400508 from RJSC&F was incorporated in Bangladesh on 6 May 2016 as a private company limited by shares under the Companies Act, 1994 with its registered office located at Doyal Centre, 3rd Floor, Suite No. A+B,, 15, Sonargoan Janapath, Sector - 13, Uttara, Dhaka, PO :1230, The factory is located at Tepirbari, Mowna, Sreepur, Gazipur.

1.02 Nature of business

The principal activity of the Company is to manufacture and trade in ready made garments for 100% export.

2.00 Basis of preparation and significant accounting policies

2.01 Statement of compliance

The financial statements of the company have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with generally accepted accounting principles and practice followed in Bangladesh in compliance with The Companies Act 1994.

2.02 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT), which is the Company's functional currency. Financial information presented in BDT have been rounded off to the nearest BDT.

2.03 Use of estimates and judgment

The financial statements was prepared by the management on the basis of best judgments, estimations and assumptions complying the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future years affected.

2.04 Reporting period

The financial report covers the period from 01 April 2024 to 31 March 2025.

2.05 Authorization for issue

The financial statements were authorised for issue by the Board of Directors on, 28 April 2025.

2.06 Consistency of presentation

The presentation and classification of all items in the financial statements have been retained from one period to another period unless where it is apparent that another presentation or classification would be more appropriate having regard to the criteria for the selection and application of accounting policies or changes as required by another IFRSs.

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

2.07 Comparative information

Comparative information has been disclosed in respect of the previous period for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period financial statements. Certain figures for previous period have been rearranged wherever considered necessary, as to ensure better comparability with the current period financial and to comply with relevant IASs.

2.08 Preparation and presentation of financial statements of the company

The Management of the company is responsible for the preparation and presentation of the financial statements of the company.

2.09 Components of the financial statements

According to the International Accounting Standard IAS-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

i) Statement of financial position as at 31 March 2025.
ii) Statement of profit or loss and other comprehensive income for the year ended 31 March 2025
iii) Statement of changes in shareholder's equity for the year ended 31 March 2025.
iv) Statement of cash flows for the year ended 31 March 2025.
v) Notes to the financials statements including significant accounting policies.

3.00 Summary of significant policies

3.01 Principle of accounting policies

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements.

3.02 Accrual basis of accounting

The financial statements have been prepared, except statements of cash flows, under accrual basis of accounting in accordance with applicable International Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

3.03 Going concern

The financial statements are prepared on a going concern basis. As per management assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the Company's ability to continue as a going concern.

3.04 Statement of cash flows

The Statement of cash flows has been prepared in accordance with the requirements of IAS 7: Statement of cash flows. The cash generating from operating activities has been reported using the indirect method.

3.05 Accounting policies, changes in accounting estimates and errors

Accounting policies

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its financial statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

A. QASEM & CO. DHAKA

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

Accounting estimates

The preparation of financial statements requires many estimates to be made on the basis of latest available and reliable information.

The effect of a change in accounting estimates should therefore be recognized prospectively.

Prior period errors

A prior period error is where an error has occurred even though reliable information was available when those financial statements were authorized for issue.

3.06 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material. There are no material events after reporting date which required judgement or disclosure in the financial statement.

3.07 Taxation

Current tax

As an export orirnted private limited company, applicable tax rate for the company is 0.60% on gross receipt or 10% on net profit or tax deducted at source- whichever is higher. As tax deducted at source is higher than others, it will be considered as final settlement.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the laws that have been enacted or substantively enacted by the reporting date.

3.08 Recognition of Property, plant and equipment

Recognition and measurement

According to IAS 16 "Property, Plant and Equipment" items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

Part of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

A. QASEM & CO. CHARTERED ACCOUNTANTS GULSHAN DHAKA

Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as incurred.

Capital work in progress

Capital work in progress consists of acquisition costs, capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, Capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Company.

Depreciation

No depreciation is charged on capital work in progress (CWIP) as CWIP is not yet available for use. Depreciation on other items of property plant and equipment is recognized on reducing balance or WDV basis over the estimated useful lives of each item of property, plant and equipment. For addition to property, plant and equipment, depreciation method, useful lives and residual balance are reviewed each reporting date and adjusted if appropriate.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment. The depreciation rates for the current period are as follows:

Class of assets	**Depreciation rate**
Furniture and fixtures	10%
Leasehold Improvements	10%
Plant and machineries	10%
Freehold factory building	5%
Motor vehicles	20%
Air conditioners	10%
Electrical installations	10%
Fire Protection & Prevention Equipment's	10%
Office Equipment's	10%
Other Equipment's	10%
Development projects	25%
IT equipment's	33%
Software/ERP	25%

3.09 Inventories

Inventories are valued at the lower of cost and net realizable value as per IAS 2, after making due allowance for obsolete, rejection and slow moving items. Cost is valued using weighted average method. Net realizable value is the price at which inventories can be sold in the ordinary course business less the estimated cost of completion and the estimated cost necessary to make the sale.

3.10 Revenue recognition

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-steps model as follows.

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Considering the five steps model, Revenue arises from the sale of goods and the rendering of services. It is measured at the fair value of consideration received or receivable, excluding taxes, and reduced by any rebates and trade discounts allowed as per IFRS-15.

Revenues are recognized when the risks and rewards of the ownership is transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably and there is no continuing management involvement with the sale of goods or service provided.

3.11 Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'other income' in the statement of profit or loss and other comprehensive income.

3.12 Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24 "Related Party Disclosures".

3.13 Foreign currency transactions

Foreign currency transactions are translated into Bangladesh Taka at the rate ruling on the transaction date. All monetery assets and liabilities at the statement of financial postion date are retranslated using rates prevailing on the date. This treatment is in accordence with IAS -21: The effects of changes in foreign exchange rates, which requires all differnces arising from foreign exchange transactions to be recogized in the comprehesive income statment. The closing exchange rate is considered as USD 1 = 121.52.

3.14 Financial Instruments

Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at banks which are held and available for use by the company without any restriction. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivable represents the amounts due from export customers. Accounts receivable stated at original invoice amount without making any provision for doubtful debts, because of the fact that exports are being based on 100% confirmed letter of credit basis with fixed maturity dates/signed sales contract or buyer's P.O.

Trade and other payables

Trade and other payables are recognized when its contractual obligations arising from past events are certain and settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits.

A. QASEM & CO. CHARTERED ACCOUNTANTS GULSHAN DHAKA

3.15 Provisions and contingencies

A provision is recognised on the date of statement of financial position if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more future events beyond the control of the company. The company does not recognise a contingent liability but discloses its existence separately in the financial statements.

3.16 Capital management

For the purpose of the Company's capital management, capital includes issued capital, share money deposit and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

3.17 General comments and obligations

a. All figures have been rounded off to the nearest BDT;

b. Previous year's figures and head of accounts in the financial statements have been re-arranged to confirm to current year's presentation wherever necessary.

A. QASEM & CO.
GULSHAN
DHAKA
CHARTERED ACCOUNTANTS

4.00 Property, plant and equipment

Amounts in BDT

Particulars	Cost				Rate %	Particulars	Depreciation				Written down value
	Opening balance	Addition / transfer during the period	Disposal / Transfer Out during the period	Closing balance			Opening balance	Charged during the period	Adjustment/ disposal during the period	Closing balance	
Freehold Land	114,772,902	-	-	114,772,902	0%		-	-	-	-	114,772,902
Plant & Machinery	452,661,013	6,672,040	-	459,333,053	10%	Acc Dep Plan	166,632,500	47,200,595	-	213,833,096	245,499,957
Furniture & Fixtures	59,810,081	497,779	-	60,307,860	10%	Acc Dep Furni	26,878,239	6,135,262	-	33,013,501	27,294,359
Office Equipments	2,308,633	-	-	2,308,633	10%	Acc Dep Offic	1,231,626	230,871	-	1,462,497	846,136
Freehold Building	590,484,291	3,903,353	-	594,387,644	5%	Acc. Dep. Fre	132,528,345	31,584,490	-	164,112,835	430,274,808
Other Equipments	11,584,039	724,132	-	12,308,172	10%	Acc Dep Othe	4,370,344	1,225,187	-	5,595,531	6,712,641
IT Equipments	23,893,532	5,174,772	-	29,068,304	33%	Acc Dep - IT E	19,491,227	2,698,106	-	22,189,333	6,878,971
Motor Vehicles	204,000	-		204,000	20%	Acc Dep - Mot	101,944	40,800	-	142,744	61,256
Telephone Installation & Connection	553,160	-	-	553,160	10%	Acc Telephon	261,336	55,394	-	316,730	236,430
Fire Protection & Prevention Equipments	2,528,284	-	913,750	1,614,534	10%	Acc Dep - Fire	474,013	160,221	-	634,234	980,300
Air Conditioners	44,586,439	198,875	-	44,785,314	10%	Acc Air Condi	10,163,650	4,471,805	-	14,635,456	30,149,858
Electrical Installation	65,692,830	80,625	-	65,773,455	10%	Acc Depreciat	22,773,295	4,286,456	-	27,059,751	38,713,704
Original cost-Other Low Value Assets	9,794,126	2,977,776	-	12,771,902	100%	Accum depre	9,794,126	2,977,776	-	12,771,902	-
							-	-		-	
Balance as at 31 Mar 2025	**1,378,873,330**	**20,229,351**	**913,750**	**1,398,188,932**			**394,700,645**	**101,066,964**	**-**	**495,767,609**	**902,421,323**
Balance as at 31 Mar 2024	**1,208,338,044**	**170,535,286**	**-**	**1,378,873,330**			**311,347,702**	**83,352,943**	**-**	**394,700,645**	**984,172,685**

5.00 Intangible assets

Amounts in BDT

Particulars	Cost				Rate %	Particulars	Depreciation				Written down value
	Opening balance	Addition / transfer during the period	Adjustment/ disposal during the period	Closing balance			Opening balance	Charged during the period	Adjustment/ disposal during the period	Closing balance	
Software/ERP	62,568,774	2,171,850	-	64,740,624	25%	Acc Amortisat	32,346,330	13,324,068	-	45,670,398	19,070,226
Design & Product Development	-	-	-	-	25%	Acc Amortisat	-	-	-	-	-
Balance as at 31 Mar 2025	**62,568,774**	**2,171,850**	**-**	**64,740,624**		-	**32,346,330**	**13,324,068**	**-**	**45,670,398**	**19,070,226**
Balance as at 31 Mar 2024	**56,553,734**	**6,015,040**	**-**	**62,568,774**			**14,445,016**	**17,901,314**	**-**	**32,346,330**	**30,222,444**

6.00 Right of use of assets

	As at 31 Mar 2024	As at 31 Mar 2023
Opening Balance	14,147,951	20,707,439
IFRS- Depreciation Lease	(4,977,966)	(6,559,488)
Disposal during the period	(9,169,985)	-
IFRS- Right to use assets	-	**14,147,951**

A QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

	Notes	As at 31 March 2025	As at 31 March 2024
		Amounts in BDT	
7.00 Capital work in progress			
Opening balance		5,020,265	7,125,749
Addition during the period	7.01	5,638,139	5,020,265
Transfer during the period	7.02	2,257,381	7,125,749
		8,401,023	**5,020,265**

7.01 Addition during the period			
Furniture & Fixtures		-	467,679
Freehold Building		44,000	2,161,016
Plant and Machinery		1,250,750	2,391,570
Others		4,343,389	-
		5,638,139	**5,020,265**

7.02 Transfer during the period			
Freehold Building		467,679	2,477,032
Plant and Machinery		1,734,877	2,212,151
Others		54,825	2,436,566
		2,257,381	**7,125,749**

8.00 Deferred tax (assets)/ liabilities			
Opening			
Deferred tax from property, plant & equipment (except land)	8.01	3,655,448	14,810,162
Deferred tax from lease	8.02	-	(154,770)
Deferred tax from gratuity liability excluding actuarial gain/loss	8.03	(3,698,889)	(2,797,959)
Deferred tax from business loss	8.04	(57,365,193)	(62,462,231)
Deferred tax (assets)/ liabilities from operation		**(57,408,633)**	**(50,604,799)**
Deferred tax from actuarial gain/(loss) in gratuity liability		(157,943)	193,805
		(57,250,690)	**(50,798,604)**

8.01 Deferred tax from Property, Plant & Equipment (except Freehold land)			
Carrying amount		806,718,646	899,622,226
Tax base		770,164,163	751,520,611
Taxable/(deductible) temporary difference		**36,554,484**	**148,101,616**
Tax rate		10%	10%
		3,655,448	**14,810,162**

8.02 Deferred tax for lease			
Carrying amount		-	(1,547,701)
Tax base		-	-
Taxable/(deductible) temporary difference		-	**(1,547,701)**
Tax rate		10%	10%
		-	**(154,770)**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Note	As at 31 March 2025	As at 31 March 2024
8.03 Deferred tax from gratuity liability and leave encashment excluding actuarial gain/loss			
Carrying amount		35,409,457	29,917,641
Tax base		-	-
Taxable/(deductible) temporary difference		**(35,409,457)**	**(29,917,641)**
Tax rate		10%	10%
Total deferred tax (assets)/ liabilities from gratuity liability		**(3,540,946)**	**(2,991,764)**
Less: Deferred tax assets/(liabilities) from actuarial Gain/(loss)		157,943	(193,805)
		(3,698,889)	**(2,797,959)**
8.04 Deferred tax from business loss			
Carrying amount			
Tax base		(573,651,927)	(624,622,313)
Taxable/(deductible) temporary difference		**(573,651,927)**	**(624,622,313)**
Tax rate		10%	10%
		(57,365,193)	**(62,462,231)**
9.00 Inventory			
Finished Goods-Manufacturing		105,503,045	124,746,720
Semi Finished Goods-Manufacturing		82,520,735	104,983,222
Fabric - Body		44,039,382	247,763,555
Acc & Trim Manufacturing		30,425,906	90,738,740
Production Consumables		3,300,955	4,957,919
		265,790,022	**573,190,156**
10.00 Advances, deposits and prepayments			
Advance Tax	10.01	87,400,520	65,415,653
Security Deposits		18,848,767	14,595,947
Advance Others		22,358,808	12,582,827
Advance Against Salaries		149,700	993,582
Advance Against Vendors		3,128,303	1,199,455
Advance Against Tangible Assets		2,513,289	2,726,055
Prepaid Expenses		38,151,635	7,665,702
LC Margin		128,637,652	103,986,000
		301,188,674	**209,165,220**
10.01 Advance tax			
Opening balance		65,415,653	40,142,514
Add during the year		56,315,353	38,081,608
Less: settlement of assessment		(34,330,486)	(12,808,469)
		87,400,520	**65,415,653**
11.00 Receivable			
Trade receivables		304,351,061	35,258,124
Export Incentive receivables		49,255,310	114,551,908
Interest Receivable		-	13,198,335
		353,606,371	**163,008,366**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

		As at 31 March 2025	As at 31 March 2024
12.00 Inter company receivables			
Poeticgem International Limited		86,702,859	8,240,205
Poeticgem International FZCO		342,896,725	304,105,769
Simple Approach Limited - Hong Kong		30,129,727	1,590,714
Progress Manufacturing Group Limited		230,894	668,297
PDS GLOBAL PROCUREMENT SERVICE FZCO		6,726,030	
PDS Ltd		17,663,419	3,671,045
PDS Fashion USA Ltd		7,513,624	37,809,757
Styleberry Limited		9,572,327	9,572,327
		501,435,605	**365,658,114**
13.00 Cash and cash equivalents			
Cash at bank	**13.01**	408,950,169	237,478,359
Stamp Paper		5,600	234,300
Cash in hand		1,021,254	1,019,438
Fund In Transit		7,876,247	22,371,642
		417,853,270	**261,103,739**
13.01 Cash at bank			
BRAC Bank Limited-Main Bank Account (BDT)		7,879,191	3,834,961
BRAC-1501203540033001-USD-ERQ/FC Account		1,582,931	1,369,677
BRAC-1501203540033002-USD-Margin Account		186,561,386	39,371,016
CITY Bank Ltd 1103553625001-Main Bank Account (BDT		39,319,648	16,980,369
CITY - USD FBPAR - Main Bank A/C		121,339,834	77,938,446
CITY - 5123553625001 - USD Account - ERQ - USD		16,807,190	5,501,797
HSBC-001-005065-011-Main Bank Account (BDT)		1,423,232	13,832,281
HSBC-001-005065-047-FC Bank Account (USD)		655,281	1,554,603
HSBC-001-005065-091-USD-Margin Account		32,764,436	66,998,262
EASTERN BANK LIMITED MAIN BANK ACCOUNT		617,040	9,999,273
Commercial Bank Of Ceylon-Taka A/C		-	97,674
		408,950,169	**237,478,359**

14.00 Share capital

Authorized capital

10,00,000 Ordinary Shares of Taka 100 each	100,000,000	100,000,000
90,00,000 Redeemable Preference Shares of Taka 100 each	1,900,000,000	1,900,000,000
	2,000,000,000	**2,000,000,000**

As per Memorandum and Articles of Association of the Company, the shareholders agreed to take the shares in proportion in the capital as detailed below:

Issued and paid up capital

506,993 ordinary shares of 100 Taka each	50,699,300	50,699,300
Shareholding position as at 31 March 2024 as follows:	**50,699,300**	**50,699,300**

Paid up capital	Shares held	Amounts in BDT	
Green Apparel Industries Limited, Hong Kong	506,962	50,695,300	50,695,300
Mr. Pallak Seth	10	1,000	1,000
Mr. Abhishekh Kanoi	10	1,000	1,000
Mr. Kaustav Gupta	10	1,000	1,000
Muhammad Shahed Mahmud	1	1,000	1,000
	506,993	**50,699,300**	**50,699,300**

A. QASEM & CO. CHARTERED ACCOUNTANTS

		As at 31 March 2025	As at 31 March 2024
15.00 Preference Share Capital			
Issued during the period		1,722,077,500	1,722,077,500
		1,722,077,500	**1,722,077,500**
16.00 Post-retirement benefit obligation			
Obligation for gratuity	16.01	23,002,743	19,159,767
Obligation for leave encashment	16.02	12,406,714	10,757,874
		35,409,457	**29,917,641**
16.01 Gratuity payable			
Opening balance		19,159,767	16,035,585
Service cost		6,612,023	6,967,295
Interest cost		2,419,879	1,433,581
Actuarial (gain)/loss		(411,476)	(1,369,645)
Benefits paid out		(4,777,450)	(3,907,049)
		23,002,743	**19,159,767**
16.02 Provision for leave encashment			
Opening balance		10,757,874	13,660,763
Service cost		4,785,340	4,087,276
Interest cost		1,359,795	1,221,272
Actuarial (gain)/loss		3,735,154	4,751,593
Benefits paid out		(8,231,449)	(12,963,030)
		12,406,714	**10,757,874**
17.00 Term bank borrowings			
CITY Term Loan		48,035,393	42,700,000
		48,035,393	**42,700,000**
18.00 Non-current poriton of lease liability			
Opening balance		15,695,652	21,419,933
Addition during the period		(9,169,985)	-
Add: Interest accrued		610,333	995,719
Less: Paid during the period		(7,136,000)	(6,720,000)
Tota lease liability at the year end		**-**	**15,695,652**
Less: Current portion of lease liability	18.01	-	7,136,000
		-	**8,559,652**
18.01 Current portion of lease liability			
Balance at the year end		-	15,695,652
Less: Balance payable after 12 month		-	8,559,652
		-	**7,136,000**
19.00 Secured short term bank borrowings			
CITY Temporary Loan		22	14,021,193
BRAC Temporary Loan		24,000,000	-
CITY PSC Loan		1,669,377	-
		25,669,399	**14,021,193**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	As at 31 March 2025	As at 31 March 2024
20.00 Trade and other payables		
Trade Payable	241,003,479	230,496,417
GR/IR Clearing A/c	97,767,404	357,545,221
Salary Payable	-	64,071,643
Employee Payable	966,886	
Statutory Payable	1,861,086	2,463,840
Bills of Exchange (BOE) Payable	217,187,606	204,319,964
Provision for Income Tax	83,004,396	70,825,748
Other Payable	235,446,577	77,471,939
	877,237,433	**1,007,194,772**
21.00 Inter company payables		
Green apparel industries Limited	213,861,495	133,291,819
Multinational Textile Group Limited	-	1,813,673
PDS Fashions Limited	1,834,807	98,963
PDS FAR EAST USA, INC	57,304	57,304
PDS Lifestyle FZCO		176,337
	215,753,606	**135,438,096**

A. QASEM & CO. CHARTERED ACCOUNTANTS

	Notes	31 March 2025	31 March 2024
		As at	
		Amounts in BDT	
22.00 Export sales			
Sales-Garment		**4,585,670,711**	**2,958,456,382**
23.00 Cost of good sold			
Material Consumption	23.01	3,010,290,617	1,914,055,103
Direct Labour	23.02	656,101,729	423,561,057
Factory Overhead	23.03	74,887,572	56,831,009
Manufacturing Depreciation	23.04	54,464,827	40,424,889
		3,795,744,746	**2,434,872,058**

	31 March 2025	31 March 2024
23.01 Material Consumption		
Opening Stock of Raw Materials as on 1st Apr 2024	568,625,289	560,077,302
Purchases of Raw Materials during the period	2,687,603,455	1,813,116,879
Closing stock of Raw Materials as on 31 Mar 2025	262,489,067	568,625,289
COGS - Manufacturing	**2,993,739,677**	**1,804,568,891**
Opening Stock of Other Materials as on 1st Apr 2024	4,564,867	5,525,008
Purchases of Other Materials during the period	15,287,027	108,526,071
Closing stock of Other Materials as on 31 Mar 2025	3,300,955	4,564,867
Consumption	**16,550,939**	**109,486,212**
	3,010,290,617	**1,914,055,103**
23.02 Direct Labour		
Wages	473,909,851	335,987,494
Overtime - Worker	132,715,847	60,441,086
Festival Bonus-Workers	41,374,472	20,402,593
Maternity Allowance	7,240,790	5,320,987
Welfare Expenses	860,769	1,408,897
	656,101,729	**423,561,057**
23.03 Factory Overhead		
Consumables	10,499,903	7,695,134
Tiffin Expenses	2,369,890	346,263
Medical Benefits & Expenses	141,685	164,477
Staff Welfare Expenses	5,392,926	8,129,650
Plant and Machinery Hire Charges	3,067,040	2,508,873
Repairs & Maintenance	3,096,522	6,003,822
Diesel for Boiler	26,215,471	19,014,820
Electricity Charges	15,782,835	10,831,686
Security Charges	7,175,510	
Factory Audit Fees	1,047,229	1,968,089
Printing Expenses	87,417	143,600
Stationery expenses	11,145	24,596
	74,887,572	**56,831,009**
23.04 Manufacturing Depreciation		
Depreciation - Plant & Machineries	47,200,595	35,891,567
Depreciation - Electrical Installations	4,286,456	4,255,660
Depreciation - Low Value Assets	2,977,776	277,662
	54,464,827	**40,424,889**

A. QASEM & CO. CHARTERED ACCOUNTANTS GULSHAN DHAKA

	Notes	31 March 2025	31 March 2024
		Amounts in BDT	
24.00 Other income			
Export Incentives		27,954,133	28,744,636
		27,954,133	**28,744,636**
25.00 Administrative expenses			
Staff Salary Expenses		275,156,327	296,669,474
Staff Welfare Expenses		3,299,069	7,906,117
Legal & Professional Fee		10,394,404	6,510,657
Audit Fees		9,853,586	3,807,262
Insurance		16,599,142	15,006,178
Rent		1,752,364	1,518,408
Business Tax		-	264,230
Property Tax		-	21,760
Vehicle Fuel		84,858	81,001
Office Expenses		6,868,215	7,015,617
Internet & Email Charges		575,340	538,786
Communication		1,855,300	2,098,099
Car Hire Charges		25,214,906	15,137,428
Bank Charges		35,706,655	19,271,084
Foreign Exchange Gain/Loss		(18,128,888)	(58,294,399)
		369,231,279	**317,551,703**
26.00 Marketing & selling expenses			
Testing Charges		22,437,508	14,131,361
C&F Charges		77,314,774	54,676,807
Inspection Fees		74,100	-
Courier Charges - Local		147,480	92,765
Courier Charges - International		3,750,188	3,851,922
Traveling Expenses		5,820,811	8,023,136
Marketing & selling expenses		987,518	1,803,049
		110,532,379	**82,579,039**
27.00 Operating depreciation			
Depreciation - IT Equipments		2,698,106	2,460,414
Depreciation - Motor Vehicles		40,800	40,800
Depreciation - Furniture & Fixtures		6,135,262	6,023,735
Depreciation - Office Equipment		230,871	230,229
Depreciation - Freehold Building		31,584,490	28,313,077
Amortization - Software/ERP		13,324,068	11,538,157
Amortisation- Goodwill		-	6,363,157
Depreciation - Other Equipment's		1,225,187	1,191,615
Depreciation Telephone Installation & Connection		55,394	55,394
Depreciation - Fire Protection & Prevention Equip.		160,221	160,221
Depreciation - Air Conditioners		4,471,805	4,452,568
IFRS- Depreciation Lease		4,977,966	6,559,488
		64,904,170	**67,388,856**
28.00 Finance expenses			
Bank Interest Expenses		24,087,349	15,019,217
IFRS- Interest Lease		610,333	995,719
		24,697,682	**16,014,936**
29.00 Income tax expenses			
Deferred Income tax		(6,452,086)	(7,442,329)
Current Tax expenses	29.01	41,574,949	44,445,557
Income Tax Paid during the period		**35,122,863**	**37,003,228**

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

	Notes	31 March 2025	31 March 2024
		Amounts in BDT	

29.01 Deferred tax expenses/ (income)

Closing balance of deferred tax assets from operation		(57,250,690)	(50,798,604)
Less: Opening balance of deferred tax assets from operation		(50,798,604)	(43,356,275)
		(6,452,086)	**(7,442,329)**

29.02 Current Tax expenses

Taxation- Others		41,574,949	44,445,557
		41,574,949	**44,445,557**

30.00 Actuary difference for the year (net of deferred tax)

Closing balance of OCI for actuarial loss	30.01	(1,421,489)	1,744,246
Less: Opening balance of OCI for actuarial gain		1,744,246	5,319,999
		(3,165,735)	**(3,575,753)**

30.01 Closing balance of OCI for actuarial gain

Net Actuarial gain or loss at the opening		1,744,246	5,319,999
Actuarial gain/(loss) for the year		(3,323,678)	(3,381,948)
Net Actuarial gain or loss at the year end		**(1,579,432)**	**1,938,051**
Less: deferred tax (assets)/liabilities on actuarial difference		157,943	(193,805)
		(1,421,489)	**1,744,246**

31.00 Related party disclosure

During the period under audit, the Company carried out a number of transactions with related parties in the normal course of business on an arm's length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosure.

Name of the parties	Type of relation	Nature of transaction	Opening Balance 01 Apr 2024	Transaction during the period	Paid or received during the period	Closing balance 31 Mar 2025
Green Apparel Industries Limited, Hong Kong	Parent	Intercompany Payable	(133,291,819)	795,820,312	75,473,360	(853,638,771)
Green Apparel Industries Limited, Hong Kong	Parent	Intercompany Receivable	762,753,266	1,099,817,752	1,222,793,743	639,777,275
Multinational Textile Group Limited	Associate Company	Intercompany Payable	1,813,673		1,813,673	0
Progress Manufacturing Group Limite	Associate Company	Intercompany Receivable	668,297	-	437,402	230,894
PDS Fashions Limited	Associate Company	Intercompany Payable	(98,963)	1,735,844	-	(1,834,807)
PDS GLOBAL PROCUREMENT SERVICE FZCO	Associate Company	Intercompany Receivable		23,413,272	16,687,242	6,726,030
Poeticgem International FZCO	Associate Company	Intercompany Receivable	304,105,769	1,103,720,439	1,064,929,483	342,896,725
Poeticgem International Limited	Associate Company	Intercompany Payable	(13,104,000)	-	-	(13,104,000)
Poeticgem International Limited	Associate Company	Intercompany Receivable	8,240,205	647,716,973	556,150,319	99,806,859
Styleberry Limited	Associate Company	Intercompany Receivable	9,572,327			9,572,327
Simple Approach	Associate Company	Intercompany Receivable	1,590,714	319,500,526	290,961,512	30,129,727
PDS FAR EAST USA, INC	Associate Company	Intercompany Payable	(57,304)	-	-	(57,304)
PDS FASHION USA LTD	Associate Company	Intercompany Receivable	37,809,757	262,436,677	292,732,810	7,513,624
PDS Limited	Associate Company	Intercompany Receivable	3,671,045	16,640,524	2,301,704	18,009,865
PDS Limited	Associate Company	Intercompany Payable	-	346,446		(346,446)

32.00 Commitments and contingencies

Capital expenditure commitments
The company does not have significant capital commitments as at the financial statement date.

Contingent liabilities
Contingent Liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

33.00 General

33.01 Directors' remuneration for attending board meeting

No Board meeting attendance fee paid by the company.

33.02 Directors' remuneration for special service rendered

During the audit period no remuneration has been paid to Managing Director & Directors

33.03 Receivable from Directors

Nothing is receivable from the Director.

33.04 Employee information

The company has 483 salaried employees and 2642 worker as on 31 March 2025. All of them receives total remuneration in excess of BDT 1,50,000 per annum.

34.00 Events after the reporting period

No significant event has been occurred after the reporting period to the date of signing of the financial statements to be considered for inclusion.

Kaustav Gupta

Kaustav Gupta
VP-Finance and Reporting
GoodEarth Apparels Limited

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Muhammad Shahed Mahmud
Director
GoodEarth Apparels Limited

AUDITOR'S REPORT
&
AUDITED FINANCIAL STATEMENTS

OF

GRUPO SOURCING LIMITED

FOR THE YEAR ENDED 31st MARCH 2025

OCTOKHAN

Chartered Accountants

House No: 105(4th floor)
Northern Road
Baridhara DOHS, Dhaka-1206.
Ph: (+8802) 8411367-9
Fax: (+8802) 8411371
E-mail: octokhan@btconnect.com

Chartered Accountants
Octokhan

CONTENTS

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF GRUPO SOURCING LIMITED

Report on the Audit of Financial Statements

Opinion:

We have audited the accompanying financial statements of Grupo Sourcing Limited, which comprise the Statement of financial position as at 31st March 2025 and the Statement of profit or loss and other comprehensive income, Statement of changes in equity and Statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Grupo Sourcing Limited as at 31st March 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and comply with the applicable sections of the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion:

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of management and those charged with governance for the Financial Statements.

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRS). This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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.

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 based on 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:

A) 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.

B) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

C) 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. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

D) Evaluate the overall presentation, structure and content of the Company' financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirement:

In accordance with the Section 213 of Companies Act 1994, we also report the following:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our Audit and made due verification thereof;

b. In our opinion, the Company as required by law has kept proper books of accounts, so far as it appeared from our examination of those books;

c. The Financial Statements dealt with by the report are in agreement with the books of accounts.

Octokhan
Chartered Accountants

Ferdous Ahmed Khan FCA
Partner, Enrolment No. 612
Dhaka, Bangladesh.
Dated: 14 May 2025
DVC:

Grupo Sourcing Limited
Statement of Financial Position
As at March 31, 2025

Particulars	Notes	(Amount in Taka) March 31 2025	(Amount in Taka) March 31 2024
Assets			
Non-current assets		**4,656,876**	**5,461,849**
Property, plant & equipment	4	4,656,876	5,461,849
Current assets		**14,075,167**	**47,048,727**
Advance, deposit & prepayments	5	789,061	1,189,061
Trade Receivable	6	6,890,415	5,312,471
Cash and cash equivalents	7	4,547,363	38,940,575
Deferred Tax Assets	22	1,848,327	1,606,620
Total assets:		**18,732,043**	**52,510,576**
Liabilities & Shareholder's Equity			
Current liabilities		**63,468,475**	**90,736,778**
Creditors for expenses	8	3,461,097	7,770,598
Creditors for other finance	9	204,943	261,109
Loan from holding company	10	58,741,376	81,647,123
Provision for expenses	11	57,500	57,500
Provision for income tax	12	1,003,560	1,000,449
Non Current liabilities		**4,762,186**	**3,203,794**
Deferred Liability	13	4,762,186	3,203,794
Shareholders' Equity			
Share Capital	14	29,516,400	29,516,400
Share money deposit	15	22	22
Retained Earnings	SOCE	(79,015,040)	(70,946,419)
		(49,498,618)	**(41,429,997)**
Total equity and liabilities:		**18,732,043**	**52,510,576**

The annexed notes (1-22) form an integral part of these financial statements.

Zamal Uddin Ahmed
Managing Director

Muhammad Shahed Mahmud
Director

Signed as per our annexed report of even date.

Chartered Accountants
Octokhan

Octokhan
Chartered Accountants
Ferdous Ahmed Khan FCA
Partner, Enrolment No. 612
DVC:

Dhaka, Bangladesh.
Dated: 14 May 2025

Grupo Sourcing Limited
Statement of profit or Loss and other comprehensive income
For the year ended 31 March, 2025

Particulars	Notes	(Amount in Taka)	
		March 31 2025	**March 31 2024**
Revenue	16	498,185,993	338,209,695
Cost of service	17	459,478,785	311,204,822
Gross Profit		**38,707,208**	**27,004,873**
Administrative expenses	18	44,839,239	43,134,885
Profit / (Loss) from Operation		**(6,132,031)**	**(16,130,012)**
Other Income	19	2,234,650	10,666
Financial expenses	20	-	1,223,340
Net Profit / (Loss) before Tax		**(3,897,381)**	**(17,342,686)**
Income Tax Expense:		**3,685,374**	**5,799,098**
Current Tax	21	3,927,082	5,315,685
Deferred Tax	22	(241,707)	483,413
Net Profit / (Loss) after tax for the year		**(7,582,756)**	**(23,141,783)**
Other comprehensive income			
Remeasurement of defined benefit plan		(485,866)	(969,398)
Total Comprehensive Income/(Loss)		**(8,068,622)**	**(22,172,385)**

The annexed notes (1-22) form an integral part of these financial statements.

Zamal Uddin Ahmed
Managing Director

Muhammad Shahed Mahmud
Director

Signed as per our annexed report of even date.

Octokhan
Chartered Accountants
Ferdous Ahmed Khan FCA
Partner, Enrolment No. 612
DVC:

Dhaka, Bangladesh.
Dated: 14 May 2025

Grupo Sourcing Limited
Statement of Changes in Equity
For the year ended 31 March, 2025

(Amount in Taka)

Particulars	Paid up Capital	Share Money Deposit	Retained Earnings	Total Equity
Opening Balance 1st April 2024	29,516,400	22	(70,946,419)	(41,429,997)
Net profit for the year	-	-	(7,582,756)	(7,582,756)
Other comprehensive loss	-	-	(485,866)	(485,866)
Balance as at 31 Mar, 2025	**29,516,400**	**22**	**(79,015,040)**	**(49,498,618)**

Particulars	Paid up Capital	Share Money Deposit	Retained Earnings	Total Equity
Opening Balance 1st April 2023	29,516,400	22	(48,774,034)	(19,257,612)
For Current Period	-	-	(22,172,385)	(22,172,385)
Prior period adjustments	-	-	-	-
Balance as at 31 Mar, 2024	**29,516,400**	**22**	**(70,946,419)**	**(41,429,997)**

The annexed notes (1-22) form an integral part of these financial statements.

Zamal Uddin Ahmed
Managing Director

Muhammad Shahed Mahmud
Director

Signed in terms of our separate report of even date annexed.

Octokhan
Chartered Accountants
Ferdous Ahmed Khan FCA
Partner, Enrolment No. 612
DVC:

Dhaka, Bangladesh.
Dated: 14 May 2025

Grupo Sourcing Limited
Statement of Cash Flows
For the year ended 31 March, 2025

Particulars	Note	(Amount in Taka) Mar-25	Mar-24
Cash flows from operating activities:			
Net income/ (Loss)		(8,068,622)	(22,172,385)
Depreciation		3,193,715	1,855,693
(Increase)/Decrease in Trade Receivable		(1,577,944)	3,796,714
(Increase)/Decrease in Advances, Deposits & Prepayments		400,000	(568,000)
(Increase)/Decrease in Deferred Tax		(241,707)	483,413
Increase/(Decrease) in Credits for expenses		(4,309,501)	1,882,603
Increase/(Decrease) in Credits for other finance		(56,166)	79,151
Increase/(Decrease) in Provision for income tax		3,111	867,852
Increase/(Decrease) in Deferred Liability		1,558,392	(777,593)
Prior period adjustments		-	-
Net cash used in operating activities (A):		**(9,098,723)**	**(14,552,554)**
Cash flows from investing activities:			
Purchase of fixed assets		(2,388,742)	(3,806,095)
Net cash used in investing activities (B):		**(2,388,742)**	**(3,806,095)**
Cash flows from financing activities:			
Loan from holding company		(22,905,747)	55,133,029
Net cash generated from financing activities (C):		**(22,905,747)**	**55,133,029**
Net increase (decrease) in cash and cash equivalents during the year(A+B+C):		**(34,393,212)**	**36,774,380**
Opening Cash and cash equivalent		38,940,575	2,166,195
Closing Cash and cash equivalent*		**4,547,363**	**38,940,575**
***Cash and cash equivalent includes:**			
Cash in hand	7	490,206	5,163
Cash at bank	7	4,057,157	38,935,412
		4,547,363	**38,940,575**

The annexed notes (1-22) form an integral part of these financial statements.

Zamal Uddin Ahmed
Managing Director

Muhammad Shahed Mahmud
Director

Signed in terms of our separate report of even date annexed.

Octokhan
Chartered Accountants
Ferdous Ahmed Khan FCA
Partner, Enrolment No. 612
DVC:

Chartered Accountants
Octokhan

Dhaka, Bangladesh.
Dated: 14 May 2025

Grupo Sourcing Limited
Notes to the Financial Statements
For the year ended on 31st March, 2025

1.10 Background of the company

Grupo Sourcing Limited is incorporated as private limited companies in Bangladesh having its registered office in Dhaka, Bangladesh. The company is a subsidiary of Grupo Sourcing Limited, Hong Kong. The principal activities of the company are to act as trader, supplier of goods and services including garments related activities.

1.20 Information about the Parent Company

Grupo Sourcing Limited (the "Company") was incorporated in Hong Kong, its ultimate holding company and immediate holding company are PDS Multinational Fashions Limited and Multinational Textile Group Limited Respectively. The ultimate holding company and the immediate holding company are incorporated in India and Mauritius respectively. The ultimate company's shares are listed on the Bombay Stock Exchange (Stock Code: 538730) and National Stock Exchange in India (Stock Code: PDSMFL).

The Principal activity of the Company is trading of garment. The Principal activity and other particulars of the subsidiary are set out below:

Name of subsidiary	Place of Incorporation	Percentage of Ownership and voting power	Nature of Business
Grupo Sourcing Limited	Bangladesh	99.99%	Carry on the business of buying house,general trading, export and import of Export oriented Readymade Garments.

1.30 Significant Changes from Prior Period
The entity had undergone changes of IFRS-16 "Leases". Presently it has two agreements. Previous lease liability has been adjusted properly and the new lease is recognized accordingly as per IFRS-16 "Leases".

2.01 Statement of compliance
The financial statements have been prepared in compliance with the requirements of the Companies Act 1994 and other relevant local laws as applicable and in accordance with the accounting policies mentioned in the following paragraphs.

2.02 Regulatory Compliance

In addition to the provision of Companies Act 1994, the management complies with the applicable provisions of the following laws:

- The Income Tax Ordinance 2023;
- The Income Tax Rules 2023;
- The Value Added Tax and Supplementary Duty Act, 2012 & VAT rules 2016

Chartered Accountants Octokhan

2.03 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1, the complete set of financial statements includes the following components.

- Statements of financial position (balance sheet) as at 31 March, 2025
- Statement of profit or Loss and other comprehensive income (Income statements) for the period ended on 31 March, 2025
- Statements of changes in equity for the period ended on 31 March, 2025;
- Statements of cash flows for the period ended on 31 March 2025; and
- Accounting policies and other explanatory notes for the period ended on 31 March, 2025

2.04 Measurement Bases used in preparing the Financial Statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.05 Reporting Currency and level of Precision

The financial statements are presented in Bangladeshi currency (Taka), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.06 Preparation and presentation of Financial Statements of the Company

The Management of the company is responsible for the preparation and presentation of financial statements of Grupo Sourcing Limited.

2.07 Use of Estimates and Judgements

The preparation of these financial statements, require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, labilities, income and expenses. Actual amounts may differ from these estimates

2.08 Reporting Period

The Financial Statement of the company covers the period from 1 April to 31 March each year constantly.

2.09 Cash Flow Statement

Statement of cash flows is prepared in accordance with "IAS 7: Cash Flow Statement" and the cash flows from operating activities for the year ended 31 March 2025 have been presented under in-direct method.

2.10 Recognition of PPE

Property, Plant, Equipment (PPE) under construction /acquisition is measured at cost & no depreciation was charged as per provision of 'IAS-16: Property, Plant and Equipment'.

Chartered Accountants
Octokhan

2.11 Depreciation:

Depreciation has been charged on straight-line method on all property, plant and equipment that have already been put on operation except land. Full month's depreciation is charged for the month of acquisition irrespective of the date of acquisition and no depreciation is charged for the month of disposal. The rates of depreciation and category of property, plant and equipment are as follows:

Particulars of Asset	Useful Life
Furniture and Fixtures	4 years & 10 Years
Office Equipment	3 Years & 10 Years
Computer Equipment	3 Years

2.12 Revenue Recognition

The company recognized revenue when risk of ownership has been transferred to the buyer, which satisfied all the condition for the revenue recognition as provided in IFRS 15 "Revenue Recognition".

2.13 Provisions

As per "IAS 37: Provisions, Contingent: Liabilities and Contingent Assets" a provisions recognized on the date of statement of financial position if, as a result of past even Company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation.

A Provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

2.14 Deferred Liability (Gratuity & Earned Leave)

The Company has provided for gratuity expense as per requirement of the Bangladesh Labour Law (amendment) 2013. This is an unfunded gratuity scheme for its permanent employees, provision in respect of which is made on the basis of Actuarial Valuation. This scheme qualifies as a Defined Benefit Plan as per IAS 19 "Employee Benefits".

2.15 Contingencies

Contingencies arising has adequate to continue its operations for foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

2.16 Going Concern

The company has adequate resources to continue its operations for foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operation.

3.00 General

Figures are rounded off to the nearest Taka.

Chartered Accountants Octokhan

4 Property, plant and equipment

(Amount in Taka)

Particulars	Cost				Rate	Depreciation				WDV as at 31st March'25
	Opening Balance as at 01 Apr 2024	Addition during the period	Disposal during the year	Closing Balance as at 31st March'25		Opening Balance as at 01 Apr 2024	Charged during the year	Adjustment during the period	Closing Balance as at 31st March'25	
Furniture and Fixture	3,330,366	564,863	-	3,895,229	25.00%	3,326,454	107,367	-	3,433,821	461,408
Office Equipment	1,119,420	1,059,796	-	2,179,216	33.33%	1,089,341	297,211	-	1,386,552	792,664
Computer Equipment	2,120,683	764,083	-	2,884,766	33.33%	2,041,086	200,666	-	2,241,751	643,015
Right Of Use Assets	11,612,367	-	-	11,612,367	-	6,264,107	2,588,471	-	8,852,578	2,759,789
As at 31st March'25	**18,182,836**	**2,388,742**	**-**	**20,571,578**		**12,720,987**	**3,193,715**	**-**	**15,914,702**	**4,656,876**
As at 31st March'24	**14,376,741**	**3,806,095**	**-**	**18,182,836**		**10,865,295**	**1,855,693**	**-**	**12,720,987**	**5,461,849**

Chartered Accountants
Octokhan

Notes	Particulars		Amount (in Taka) Mar-25	Mar-24
5	**Advance, deposit & prepayments**			
	Security Deposit - Office Rent	5.1	505,409	505,409
	Advance to Employees	5.2	263,652	263,652
	Advance to Others		20,000	420,000
			789,061	**1,189,061**
5.1	**Security Deposit - Office Rent**			
	Balance as on 01 April, 2024		505,409	337,409
	Add: Addition during the year		-	200,000
			505,409	**537,409**
	Less: Adjustment during the year		-	32,000
			505,409	**505,409**
5.2	**Advance to Employees**			
	(A) Employee Payable			
	Balance as on 01 April, 2024		2,805,240	2,805,240
			2,805,240	**2,805,240**
	(B) Advance against salaries			
	Balance as on 01 April, 2024		2,541,588	2,541,588
			2,541,588	**2,541,588**
	Balance as on 31 March, 2025 (A-B)		**263,652**	**263,652**
6	**Trade Receivable**			
	Balance as on 01 April, 2024		6,940,192	10,736,906
	Add: Addition during the year		1,029,027,833	627,385,798
			1,035,968,025	**638,122,704**
	Less: Adjustments during the year		(1,029,077,610)	(631,182,513)
	Less: Provision for Doubtful Debts			-
			6,890,415	**6,940,192**
6.1	**Details of Trade Receivable**			
	Trade receivable from Customers		6,890,415	5,312,471
	Trade receivable from Group		-	-
			6,890,415	**5,312,471**
7	**Cash and cash equivalents**			
	Cash in hand		490,206	5,163
	Cash at bank		4,039,475	38,918,842
	Cash with NAGAD		17,682	16,570
			4,547,363	**38,940,575**

Chartered Accountants Octokhan

Notes	Particulars	Amount (in Taka) Mar-25	Mar-24
8	**Creditor for expenses**		
	Lease Liability	2,915,300	5,440,262
	Salary payable	-	1,684,090
	Deffered Income	259,431	259,431
	VAT payable on rent	34,736	40,423
	Other payable	116,329	217,741
	Others Accruals Liabilties	135,300	128,650
		3,461,097	**7,770,598**
9	**Creditor for other finance**		
	VAT Payable	52,165	70,529
	Withholding Tax Others	17,668	47,275
	Withholding Tax - Rent	11,579	13,476
	Withholding Tax - Salary	123,531	129,829
		204,943	**261,109**
10	**Loan from holding company**		
	Balance as on 01 April, 2024	81,647,123	26,514,094
	Add: Addition during the year	10,644,253	55,133,029
		92,291,376	**81,647,123**
	Less: Adjustment during the year	33,550,000	-
		58,741,376	**81,647,123**
11	**Provision for expenses**		
	Audit fee	57,500	57,500
		57,500	**57,500**
12	**Provision for Income tax expenses**		
	Balance as on 01 April, 2024	1,000,449	132,598
	Add: Provision for tax as per Law	3,111	867,851
		1,003,560	**1,000,449**

13 Deferred Liability

Particulars	Terminal benefit Liability	Earned Leave Liability	Total Deferred Liability
Opening Balance	1,727,041	1,476,753	3,203,794
Interest Cost	242,825	186,514	429,339
Service Cost	387,343	187,316	574,659
Benefits Paid	(120,120)	(444,127)	(564,247)
Actuarial (Gain)/Loss on Obligation	485,866	632,775	1,118,641
Closing Balance	**2,722,955**	**2,039,231**	**4,762,186**

Chartered Accountants Octokhan

Notes	Particulars	Amount (in Taka) Mar-25	Mar-24
14	**Share Capital**	**30,000,000**	**30,000,000**
	Authorized Capital:	**30,000,000**	**30,000,000**
	3,00,000 Ordinary shares of Tk. 100/= each		
	Issued Subscribed & Paid Up Capital:		
	Grupo Sourcing Limited, Hong Kong	29,515,400	29,515,400
	[295,154 Ordinary Shares @ 100 each]		
	Zamal Uddin Ahmed		
	[10 Ordinary Share @ 100 each]	1,000	1,000
		29,516,400	**29,516,400**
15	**Share money deposit**		
	Balance as on 01 April, 2024	22	22
		22	**22**

Notes	Particulars	Amount (in Taka) Mar-25	Mar-24
16	**Turnover**		
	Export of Garments	498,185,993	332,813,876
	Sales & Marketing revenue		5,395,818
		498,185,993	**338,209,695**
17	**Cost of Service**		
	Cost of Garments	459,478,785	311,204,822
		459,478,785	**311,204,822**
18	**Administrative Expenses**		
	Auditors Remuneration	57,500	43,125
	Bank Charge	266,782	295,109
	Bonus-Staff	2,775,943	1,965,827
	Club & Membership Fees	20,550	15,500
	Courier charges-International	1,913,599	1,944,095
	Courier charges-Local	505	5,620
	Depreciation - Computers Equipment	200,666	175,491
	Depreciation - Furniture & Fixtures	107,367	9,388
	Depreciation - Office Equipment	297,211	28,051
	Depreciation -Right of Use Assets	2,588,471	1,642,762
	Electricity Charges	635,957	465,387
	Government Fees	17,831	24,296
	Hotel Charges - Overseas	602,204	-
	Housekeeping & Cleaning	369,766	317,829
	Immigration/Visa Expenses	138,708	-
	Inspection Fees	87,049	-
	Insurance - Employees Health/Medical-Staff	246,195	243,640
	Insurance-General	17,225	13,173
	Interest Cost -Employee Benefits	**429,339**	299,401
	Interest On Lease	367,670	203,220
	Internet & E-mail	75,191	72,780
	Legal & Professional Charges	218,500	460,525
	Life Insurance Contributions-Staff	42,700	43,070
	Purchase Trims & Accessories	306,767	271,070
	Office Supplies	114,546	268,524
	Overtime Expenses	42,647	37,674
	Printing & Stationery	77,992	132,270
	Rates & Taxes (Local)/Registration Fees	-	300,966
	Rent-Office	387,884	227,369
	Repair & Maintenance - Others	400,186	351,290
	Salary	22,544,423	22,179,801
	Security Charges	381,353	349,986
	Service Cost-Employee Benefits	574,659	398,642
	Actuarial (Gain)/Loss on Obligation on Leave Encashment	632,775	-
	Taxi & Car Hire Charges	2,039,266	1,853,781
	Telephone Expenses	580,861	810,261
	Transport Allowance	1,036,323	902,202
	Travel Local	2,317,589	1,908,925

Chartered Accountants Octokhan

Notes	Particulars	Amount (in Taka) Mar-25	Mar-24
	Travel Overseas	1,725,530	4,641,482
	Repairs & Maintenance - Computer Equipments	36,090	26,964
	Buyer's Entertainment Expenses	163,420	205,389
		44,839,239	**43,134,885**
19	**Other Income**		
	Interest from Bank	60,969	10,666
	Foreign Exchange Gain	2,173,681	-
		2,234,650	**10,666**
20	**Financial Expenses**		
	Foreign Exchange Loss	-	1,223,340
		-	**1,223,340**
21	**Current Tax Expenses**		
	Corporate Tax	3,927,082	5,315,685
		3,927,082	**5,315,685**
22	**Deferred Tax (Assets)/ Liabilities**		
	Carrying amount of Property, Plant & Equipment	4,656,876	5,461,849
	Tax base of Property, Plant & Equipment	4,372,699	2,660,046
	Deductible temporary difference	**284,177**	**2,801,802**
	Deferred Liability	4,762,186	3,203,794
	Lease Liability	2,915,300	5,440,262
	Deductible temporary difference	**(7,677,486)**	**(8,644,056)**
	Grand Total	(7,393,309)	(5,842,254)
	Applicable Tax Rate	25.0%	27.5%
	Deferred Tax liability / (Assets) at the end of the Year	**(1,848,327)**	**(1,606,620)**
	Deferred tax liability/ (Assets) at the beginning of the Year	(1,606,620)	(2,090,032)
	Deferred Tax Expenses / (Income)	**(241,707)**	**483,413**

Chartered Accountants
Octokhan

Infinity Fashion FZCO

Audited Financial Statements

For the period April 01, 2024 to March 31, 2025

Table of Contents

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

GENERAL INFORMATION

Shareholder	:	PDS MULTINATIONAL FZCO
License No		05474

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Business Address	:	Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates
Bank	:	HSBC BANK
Auditor	:	Alia Chartered Accountancy Dubai, United Arab Emirates

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

MANAGER'S REPORT

The Manager has pleasure in presenting his report and the audited financial statements for the year ended March 31, 2025.

Principal activities of the Entity:

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

Financial review:

The table below summarizes the results of 2023-24 and 2024-25

(figures in AED)

Particulars	**01.04.2024 to 31.03.2025**	**26.12.2022 to 31.03.2024**
Revenue	12,465,073	1,223,582
Gross profit/(Loss) for the period	12,465,073	1,223,582
Net profit/(Loss) for the period	(173,573)	(200,487)

Role of the Manager:

The Manager is the Entity's principal decision-maker. The Manager have the overall responsibility for leading and supervising the Entity, for delivering sustainable shareholder value through his guidance and supervision of the Entity's business. The Manager sets the strategies and policies of the Entity. They monitors performance of the Entity's business, guides and supervises the management.

Events after year end:

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, 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 Alia Chartered Accountacy,Chartered Accountants, have showed their willingness to continue and are appointed to carry out independent audit for the year ending March 31, 2026.

Statement of Manager responsibilities:

The applicable requirements require the Manager 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 period then ended.

The audited financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms 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 him to ensure that the financial statements comply with the requirements of applicable statute. The Manager confirms 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 These financial statements were approved by the shareholders and signed on behalf by the authorized representative of the company.

FOR INFINITY FASHION FZCO

Mr. Rahul Khettry
Authorized Signatory

INFINITY FASHION FZCO DUBAI - U.A.E.

Alia Chartered Accountancy
+971-55-7444177
Burjuman Office Tower,
Burjuman Dubai, (UAE)

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Infinity Fashion FZCO,
Dubai, United Arab Emirates.
Report on the Audit of Financial Statements.

Opinion

We have audited the accompanying financial statements of **Infinity Fashion FZCO**, Dubai, United Arab Emirates which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity & statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

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 requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

عليا للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

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 Entity's internal control.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with 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.

عليـاء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Report on other legal and regulatory requirements

1. We have obtained all the information and explanations which we considered necessary for our audit,
2. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant UAE laws, and the Memorandum and Articles of Association of the Entity,
3. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account
4. We further confirm that the financial statements comply with the applicable provisions of Implementing Regulations No. 01 of 1998 pursuant to Law No. 2 of 1996 and its amendment Law No. (2) of 2000 and amendment Law No. (25) of 2009 of H.H Ruler of Dubai concerning the formation of legal establishment at Dubai Airport Free Zone. Further, we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

For ALIA CHARTERED ACCOUNTANCY
Chartered Accountants

علياء للمحاسبة القانونية
DUBAI - U.A.E.
ALIA CHARTERED ACCOUNTANCY

Mrs. Alia Hassan Rustam Hussain Ahli
Reg No. 4351, United Arab Emirates
Ministry of Economy (Audit Division)
Date: 12th May, 2025

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 26.12.2022 to 31.03.2024
Assets			
Non-Current Assets			
Property, Plant and Equipments		-	-
Investment in Subsidiary		3,279,262	1,951,521
Total Non-Current Assets	**(A)**	**3,279,262**	**1,951,521**
Current Assets			
Advances, deposits and other receivables	7	3,226,741	1,258,111
Cash and Cash Equivalents	8	765,381	46,032
Total Current Assets	**(B)**	**3,992,122**	**1,304,143**
Total Assets	**(A+B)**	**7,271,384**	**3,255,664**
Equity			
Share Capital	9	100,000	100,000
Retained Earnings	10	(374,060)	(200,487)
Shareholder Current Account		-	-
Total Equity	**(C)**	**(274,060)**	**(100,487)**
Non Current Liabilities	**(D)**	-	-
Current liabilities			
Trade Payables	11	16,848	55,050
Due to Related Party	12	7,528,596	3,301,101
Total Current Liabilities	**(E)**	**7,545,444**	**3,356,151**
Total Liabilities	**(F)=(D+E**	**7,545,444**	**3,356,151**
Total Equity and Liabilities	**(C+F)**	**7,271,384**	**3,255,664**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR INFINITY FASHION FZCO

Rahul Khetty

Mr. Rahul Khettry
Authorized Signatory

INFINITY FASHION FZCO
Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended March 31, 2025

	NOTE	01.04.2024 to 31.03.2025	(figures in AED) 26.12.2022 to 31.03.2024
Revenue	13	12,465,073	1,223,582
Cost of revenue		-	-
Gross profit		**12,465,073**	**1,223,582**
General and administrative expenses	14	(12,352,966)	(1,422,715)
Finance Cost	15	(285,680)	(1,354)
Profit/ (Loss) for the period		**(173,573)**	**(200,487)**
Attributable to:			
- Shareholder of the Company		(173,573)	(200,487)
- Non-controlling interest		-	-
		(173,573)	**(200,487)**
Other comprehensive income			
- Items that will not be reclassified subsequent to profit or loss		-	-
- Items that will be reclassified subsequent to profit or loss		-	-
Total Comprehensive income for the period		**(173,573)**	**(200,487)**
Attributable to:			
- Shareholder of the Company		(173,573)	(200,487)
- Non-controlling interest		-	-
		(173,573)	**(200,487)**

The attached notes form an integral part of these accounts.
Auditor's Report is attached hereto.

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation.

FOR INFINITY FASHION FZCO

Rahul Khetty

Mr. Rahul Khettry
Authorized Signatory

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Statement of changes in equity - for the year ended March 31, 2025

Equity and retained earnings

	Share Capital	Retained Earnings	Shareholders Current Account	Total
Capital Introduced on December 26, 2022	100,000	-	-	**100,000**
Profit/(Loss) for the Period	-	(200,487)	-	**(200,487)**
Net Movements during the Period	-	-	-	-
Balance as at March 31, 2024	**100,000**	**(200,487)**	-	**(100,487)**
Profit/(Loss) for the Period		(173,573)		**(173,573)**
Net Movements during the Period		-		-
Balance as at March 31, 2025	**100,000**	**(374,060)**	-	**(274,060)**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR INFINITY FASHION FZCO

Mr. Rahul Khettry
Authorized Signatory

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab

Cash Flow Statement for the year ended March 31, 2025

		(figures in AED)
	01.04.2024 to 31.03.2025	**26.12.2022 to 31.03.2024**
Cash Flows from operating activities		
Net Profit/ (Loss) for the period	(173,573)	(200,487)
Adjustments:		
Financial Charges	285,680	1,354
Net cash from operating activities	**112,107**	**(199,133)**
Changes in working capital		
(Increase)/ Decrease in other current assets	(1,968,630)	(1,258,111)
Increase/(Decrease) in Trade payables	4,189,293	3,356,151
Net cash used in operating activities	**2,332,770**	**1,898,906**
Cash Flow from investing activities		
Investment	(1,327,741)	(1,951,521)
Net cash used in investing activities	**(1,327,741)**	**(1,951,521)**
Cash Flows from financing activities		
Share Capital Introduced	-	100,000
Finance Charges	(285,680)	(1,354)
Net cash generated in financing activities	**(285,680)**	**98,646**
Net increase in cash and cash equivalents	719,349	46,032
Cash and cash equivalents beginning of period	46,032	-
Cash and cash equivalents end of period	**765,381**	**46,032**
Represented by:		
Cash Balance	-	-
Bank Balance	765,381	46,032
	765,381	**46,032**

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR INFINITY FASHION FZCO

Rahul Khetty

Mr. Rahul Khettry
Authorized Signatory

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

1 LEGAL STATUS :

INFINITY FASHION FZCO is incorporated on **December 26, 2022 under License No.05474 issued by Dubai Airport Free Zone Authority, Dubai, UAE**

The registered address of the company is Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

The company is managed and controlled by following persons:

1.Mr.Rahul Khettry

2 BUSINESS ACTIVITIES :

The activity of the company are as follows:-

(a) Clothing, including sports clothes and uniforms Trading

(b) Clothing accessories Trading

(c) Footwear Trading

3 Basis of Preparation

3.1 The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the company for the financial statements except the cash flow.

3.2 The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB) and applicable provisions of Federal Law No. 2 of 2015 on Commercial Companies.

Corporate tax :

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No.47 of 2022 on the taxation of Corporations and Business (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting years beginning on or after 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for the accounting years beginning on or after June, 1, 2023.

The Cabinet of Ministry Decision No. 116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the Law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

4 Significant Accounting Judgments, Estimates And Assumptions

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and accompanying disclosure at the reporting date.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

The key judgments and estimates and assumptions that have significant impact on the financial statements of the Company are as discussed below:

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

4.1 Satisfaction of Performance Obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point of time in order to determine the appropriate method of recognizing revenue. The Company has assessed that the revenue is recognized at a point in time based on agreements entered with customers and the provisions of relevant laws and regulations.

4.2 Determination of Transaction Prices

The Company is required to determine the transaction price in respect of each of its contract with customers. In making such judgment the Company assesses the impact of any variable consideration in the contract, due to discounts, the existence of any significant financial component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration the Company uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in the range of possible consideration amounts.

4.3 Transfer of Control in Contract With Customers

In the cases where the Company determines that performance obligation are satisfied at a point in time, revenue is recognized when the control over the asset that is the subject of the contract is transferred to the customer.

The Company has elected to adopt cost model / fair value model for investment properties. Accordingly investment properties are carried at cost less accumulated depreciation and any accumulated impairments / fair value in accordance with IAS 40.

4.4 Useful live of Property, Plant and Equipments

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Adoption of new and revised standards (IFRSs)

The company has adopted and complied with the IFRS for SME's since the time it was first published. Any amendments or improvements are adopted by the company with effective dates. These financial statements are prepared as per IFRS effective as on 31st December, 2017, except some IFRS not relevant to the company or not applicable as on the date of the financial statements have been excluded.

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

Standards and amendments effective for the current year

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

-Non-current Liabilities with Covenants – Amendments to IAS 1

-Classification of Liabilities as Current or Non-current – Amendments to IAS 1

-Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

-Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

5.1 New and revised International Financial Reporting Standards

The following amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorized for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

Particulars	Effective for Annual periods beginning from
Lack of Exchangeability – Amendments to IAS 21	January 01, 2025
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 01, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 16- Leases

The company assess at contract inception whether a contract is, or contains, a lease, That is if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful life of the right-of-use asset is 3 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

INFINITY FASHION FZCO
Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates
Notes to the financial statements - for the year ended March 31, 2025

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of' lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short- term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

6 Summary of Significant Accounting Policies

6.1 Revenue recognition:

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which times all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.2 Property plant and equipments

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method from the date of acquisition to the estimated useful lives of the assets.

At the end of each reporting period, management conducts an assessment of property and equipment to determine whether there are any indications that assets may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

6.3 Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairments losses / fair value in accordance with IAS 40.

The Company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carting amount of an investment property exceeds their recoverable amount, an impairment loss is recognized in income statement. The recoverable amount of the investment properties is the higher of investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property in an arm's length transaction less related costs while value in use is the present value of estimated future cash flows expected to arise from the continuing use of investment property and from its disposal at the end of its useful life.

6.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets with finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite useful lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on perspective basis.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement when the asset is derecognized.

INFINITY FASHION FZCO
Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

6.5 Financial assets - classification, measurement, recognition and derecognition

Classification
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the companies' model for managing them. Financial assets can be classified into following categories:

- those to be measured at fair value through other comprehensive income or through profit or loss, and
- those to be measured at amortized cost

Measurement
Financial assets are recognized and derecognized on trade date when the purchase and sale of a financial asset is made under a contract whose terms require delivery of financial asset within the timeframe established by market concerned.

Financial assets are initially measured at cost, plus transaction cost, except for those financial assets classified at fair value through other comprehensive income or profit or loss, which are initially measured at fair value.

Subsequent measurement of financial assets after initial measurement can be classified into two categories

a. Equity instruments

All the financial assets that are equity instruments are measured at fair value through other comprehensive income or through profit or loss. This is an irrevocable choice that the Company has made on adoption of IFRS 9 or will make on subsequent measurement of equity instrument unless equity instrument are held for trading, in which case, they must be measured at fair value through profit or loss. Dividend income for all equity instrument is recognized in profit or loss statement when the right of payment has been established.

b. Debt instrument

Debt instruments are also measured at fair value through other comprehensive income unless they are classified at amortized cost. They are classified at amortized cost only if:

- the assets held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified date, to cash flows that are solely payments of principal and interest on the principal outstanding.

Derecognition
Financial asset is derecognized when:
- The right to receive cash flow from the asset have expired; or
- The Company retains the right to receive cash flow from the asset, but has assumed an obligation to pay them in full without material delay to third party under a "pass-through" arrangement, and

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

- The Company has transferred its rights to receive cash flow from the asset and either:

has transferred substantially all the risk and rewards of the asset, or

has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The company recognizes all allowance for expected credit losses for all debt instrument not held at fair value through profit or loss. ECLs are based on the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an effective interest rate.

6.6 Financial liabilities - classification, measurement, recognition and derecognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

6.7 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within due dates and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

6.8 Trade and Other Payables

These amounts represents liabilities for goods and services received by the Company in ordinary course of business which are unpaid at the year end. They are generally paid within 3 months and therefore are all classified as current.

6.9 Employee End of Service Benefits

The Company provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

6.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of the past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated.

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

Provisions are measured at present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using the effective interest rate.

Provisions are reviewed at each financial statement date ad adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

6.11 Foreign Currency Translation

Transaction in currencies other than the company's functional currency (Foreign Currencies) are recorded at the rates of exchange prevailing on the dates of transactions. Monetary items denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non- monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined the resultant income or gain is shown in the income statement.

6.12 Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement is cash and bank balances and short term deposits with maturity of less than three months, net of bank overdrafts.

6.13 Reporting Currency & Rounding Up

The functional currency and reporting currency is UAE Dirhams. The figures are rounded up to UAE Dirhams.

	01.04.2024 to 31.03.2025	(figures in AED) 26.12.2022 to 31.03.2024
6 Other Receivable		
Investment in Subsidiary	3,279,262	1,951,521
	3,279,262	**1,951,521**
7 Advances, deposits and Trade receivables		
DAFZA Portal Balance	10,340	9,245
Prepaid Expenses	33,685	25,284
Other Receivable	3,182,716	1,223,582
	3,226,741	**1,258,111**
8 Cash And Cash Equivalents		
Cash balance	-	-
Bank balance	765,381	46,032
	765,381	**46,032**

9 Share Capital

Authorized, issued and paid up capital of the Company is AED 100,000/- divided into 100 shares of AED 1,000/- each. The name of the shareholder and his contribution in the capital is as follows:

Name of shareholder	Nationality	Percentage	No. of shares	Capital
PDS Multinational FZCO	Registered in UAE	100%	100	100,000

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

	01.04.2024 to 31.03.2025	01.04.2023 to 31.03.2024
10 Retained Earnings		
Balance at the beginning of the Period	(200,487)	-
Profit/(Loss) for the Period	(173,573)	(200,487)
Balance at the end of the Period	**(374,060)**	**(200,487)**
11 Trade & Other Payables		
Other Payables	16,848	55,050
	16,848	**55,050**

12 Related Party Disclosure

Related party represents associated companies, major shareholders, Directors and key management personnel of the company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the company's management.

Due to Related Party	**31.03.2025**	**31.03.2024**
PDS Multinational FZCO	2,705,916	2,077,519
Infinity Fashion Tedarik HİZMETLERİ A.Ş	1,381,845	1,223,582
Rising Asia Star Hk Ltd	1,469,102	-
PDS Fashion Ltd	193,508	-
Multinational Textile Group Limited	1,778,225	-
	7,528,596	**3,301,101**

	01.04.2024 to 31.03.2025	26.12.2022 to 31.03.2024
13 Revenue		
Service Income	12,465,073	1,223,582
	12,465,073	**1,223,582**
14 General & Administrative Expenses		
Salary & Other Benefits	4,851,426	-
Admin Recharge –Infrastructure Expenses	5,215,317	1,223,582
Designing & Testing Expenses	26,240	-
Legal and professional expenses	214,186	147,862
Rent	12,483	20,806
License Renewal Fees	12,800	-
Other Office Expenses	147,671	-
Insurance Expenses	4,188	
Staff Welfare Expenses	90,430	
Company Incorporation Expense	-	30,465
Corporate Recharges	1,778,225	
	12,352,966	**1,422,715**
15 Finance Cost		
Bank Charges	7,671	1,354
Interest Cost	278,009	-
	285,680	**1,354**

INFINITY FASHION FZCO

Premises No. 2 E M020, Mezzanine Floor, 2 East , Dubai Airport Free Zone, Dubai, United Arab Emirates

Notes to the financial statements - for the year ended March 31, 2025

16 RISK MANAGEMENT

16.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or the counterparty to the financial instrument fails to meet its contractual obligation. The Company is exposure to credit risk is concentrated on bank balance, trade receivables, loans & advances and deposits.

The company's bank accounts are with local branches of banks operating in the U.A.E. Trade receivables are stated at realizable value net of allowance and bad debts. Deposits with government departments are refundable and secured.

16.2 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

b. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

16.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Fair values

At the balance sheet date, the fair values of financial assets and liabilities at year end approximate to their carrying amounts and have been very carefully scrutinized by the management for their correctness.

17 COMPARATIVE FIGURES

The Current fiscal period covers the period of 12 months from April 01, 2024 to March 31, 2025. The Previous fiscal period covers the period of 15 months and 6 days from December 26, 2022 to March 31, 2024. Previous year figures might be reclassified & regrouped to conform to the current year presentation.

18 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and signed by the shareholder on May 05, 2025

The attached notes form an integral part of these accounts.
Auditors report is annexed hereto.

FOR INFINITY FASHION FZCO

Rahul Khetry

Mr. Rahul Khettry
Authorized Signatory

Company registration number 15845951 (England and Wales)

ADAPTIVE FASHION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2025

ADAPTIVE FASHION LIMITED

COMPANY INFORMATION

Directors	Mr Sagarkumar Ballari	(Appointed 18 July 2024)
	Mr Abhishekh Kanoi	(Appointed 18 July 2024)
	Mr Roland Seregi	(Appointed 18 July 2024)
Company number	15845951	
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	
Auditor	UHY Hacker Young LLP Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW	

ADAPTIVE FASHION LIMITED

CONTENTS

ADAPTIVE FASHION LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the period ended 31 March 2025.

Principal activities
The company was incorporated on 18 July 2024. The principal activity of the company is that of the sale of adaptive men's and women's clothing.

Results and dividends
The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr Sagarkumar Ballari	(Appointed 18 July 2024)
Mr Abhishekh Kanoi	(Appointed 18 July 2024)
Mr Roland Seregi	(Appointed 18 July 2024)

Auditor
UHY Hacker Young LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

sagar ballari

Mr Sagarkumar Ballari
Director

12 May 2025

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADAPTIVE FASHION LIMITED

Opinion

We have audited the financial statements of Adaptive Fashion Limited (the 'company') for the period ended 31 March 2025 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADAPTIVE FASHION LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADAPTIVE FASHION LIMITED (CONTINUED)

V Vadgama

Vinodkumar Vadgama (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young LLP 12 May 2025

Chartered Accountants
Statutory Auditor

ADAPTIVE FASHION LIMITED

INCOME STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2025

	Notes	Period ended 31 March 2025 £
Revenue	**2**	148,837
Administrative expenses		(183,707)
Other operating income		1,617
Operating loss		(33,253)
Tax on (loss)/profit		-
(Loss)/profit and total comprehensive income for the financial period		(33,253)

ADAPTIVE FASHION LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 £	£
Current assets			
Trade and other receivables	**4**	56,085	
Cash and cash equivalents		4,460	
		60,545	
Current liabilities	**5**	(93,698)	
Net current liabilities			(33,153)
Net liabilities			(33,153)
Equity			
Called up share capital	**8**		100
Retained earnings			(33,253)
Total equity			(33,153)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 May 2025 and are signed on its behalf by:

sagar ballari

Mr Sagarkumar Ballari
Director

Company registration number 15845951 (England and Wales)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2025

	Notes	Share capital £	Retained earnings £	Total £
Balance at 18 July 2024		-	-	-
Period ended 31 March 2025:				
Loss and total comprehensive income		-	(33,253)	(33,253)
Transactions with owners:				
Issue of share capital	**8**	100	-	100
Balance at 31 March 2025		100	(33,253)	(33,153)

1 Accounting policies

Company information

Adaptive Fashion Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House - Floor 6, 4 Thomas More Square, London, E1W 1YW. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Reporting period

The company was incorporated on 18 July 2024. Therefore, the first set of accounts represent a period of 8.5 months.

1.2 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PDS Limited. The group accounts of PDS Limited are available to the public and can be obtained as set out in note 10.

1.3 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, group companies have agreed not to seek repayment of amounts owed until the company is able to pay its debts as they fall due.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

1 Accounting policies **(Continued)**

-Sale of goods
Revenue represents amounts receivable from the distribution of garments net of discounts and value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

-Collaborative income
Revenue represents amounts receivable from the collaboration with other companies. Revenue is recognised once the performance conditions of the agreement have been met.

1.5 Cash and cash equivalents
Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial assets
Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss
When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

1 Accounting policies **(Continued)**

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.7 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

1 Accounting policies **(Continued)**

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. 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. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

2 Revenue

	2025
	£
Revenue analysed by class of business	
Collaborations	148,837

	2025
	£
Revenue analysed by geographical market	
United Kingdom	148,837

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2025
	Number
	4

Their aggregate remuneration comprised:

	2025
	£
Wages and salaries	125,642
Social security costs	14,239
Pension costs	991
	140,872

The directors of the company were remunerated through other group companies.

4 Trade and other receivables

	2025
	£
VAT recoverable	354
Amounts owed by fellow group undertakings	24,000
Other receivables	31,731
	56,085

4 Trade and other receivables (Continued)

5 Liabilities

	Notes	2025 £
Trade and other payables	6	93,698

6 Trade and other payables

	2025 £
Amount owed to parent undertaking	29,495
Amounts owed to fellow group undertakings	58,953
Accruals and deferred income	5,250
	93,698

7 Retirement benefit schemes

Defined contribution schemes	2025 £
Charge to profit or loss in respect of defined contribution schemes	991

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

8 Share capital

Ordinary share capital	2025 Number	2025 £
Issued and fully paid		
Ordinary shares of £1 each	100	100

During the year, 100 shares were issue at par value.

9 Related party transactions

9 Related party transactions **(Continued)**

At the year end, the company was owed £24,000 from PDS Fashions Limited.

At the year end, the company owed to £29,495 to The Brand Group Limited.

At the year end, the company owed to £1,250 to Roksanda (UK) Limited.

At the year end, the company owed to £57,703 to PDS Radius Brand FZCO.

The above companies are all part of the PDS Limited group.

10 Controlling party

The immediate parent company is The Brand Group Limited by virtue of its 100% ownership of the ordinary share capital.

The ultimate parent company is PDS Limited, a company registered in India. PDS Limited, prepares group financial statements and copies can be obtained from Unit No 971, Solitaire Corporate Park, Andheri, Ghatkopar Link Road, Andheri East, Mumbai, Maharashtra, 400093.

PDS Limited is listed on the BSE and National Stock Exchange in India.

ADAPTIVE FASHION LIMITED

MANAGEMENT INFORMATION

FOR THE PERIOD ENDED 31 MARCH 2025

ADAPTIVE FASHION LIMITED

DETAILED INCOME STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2025

	Period ended 31 March 2025 £
Revenue	
Sales of goods	148,837
Other operating income	
Sundry income	1,617
Administrative expenses	(183,707)
Operating loss	(33,253)

ADAPTIVE FASHION LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2025

	Period ended 31 March 2025 £
Administrative expenses	
Wages and salaries	125,642
Social security costs	14,239
Staff pension costs defined contribution	991
Management charge - group	4,888
Rent re operating leases	7,503
Software costs	1,223
Travelling expenses	2,145
Legal and professional fees	4,609
Consultancy fees	4,750
Audit fees	5,250
Bank charges	40
Advertising	1,887
Entertaining	749
Corporate charges	8,626
Handling/Transport charges	1,165
	183,707