

STRIDES CIS LTD
Reg. Number: 213858

FINANCIAL STATEMENTS
For the year ended 31 March 2024

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For the year ended 31 March 2024

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STRIDES CIS LTD

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Georgios Kyriakou
Androula Alexandrou
Vikesh Kumar
Maria Stella Katsari

Company Secretary:

Calmco Secretarial Ltd

Independent Auditors:

MGI Gregoriou & Co Ltd
Certified Public Accountants and Registered Auditors
Florinis, 7
GREG TOWER, 6th floor
P.C. 1065, Nicosia
Cyprus

Registered office:

Julia House
3 Themistocles Dervis
1066, Nicosia,
Cyprus

Bankers:

Bank of Cyprus Public Company Ltd
State Bank of India

Registration number:

HE213858

Independent Auditor's Report

To the Members of Strides CIS Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Strides CIS Ltd (the "Company"), which are presented in pages 5 to 19 and comprise the statement of financial position as at 31 March 2024, and the statements of profit or loss and other comprehensive income, changes in equity and 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 give a true and fair view of the financial position of the Company as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

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

Emphasis of Matter

We draw attention to note 5 of the financial statements where it is indicated that the financial statements have not been prepared on a going concern basis since the Company has ceased trading. Management is currently evaluating its options for resuming such trading. Up to the date of signing of the financial statements, no firm commitment to that effect has been made. Our opinion is not qualified in respect of this matter.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors 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, 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.

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

Independent Auditor's Report (continued)

To the Members of Strides CIS Ltd

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 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 Board of Directors.
- Conclude on the appropriateness of the 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.
- 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 a true and fair view.

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.

Independent Auditor's Report (continued)

To the Members of Strides CIS Ltd

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Loria Gregoriou
Certified Public Accountant and Registered Auditor
for and on behalf of
MGI Gregoriou & Co Ltd
Certified Public Accountants and Registered Auditors

Nicosia, 19 July 2024

STRIDES CIS LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 March 2024

	Note	2024 US\$	2023 US\$
Other operating income	9	-	28,993
Administration expenses		<u>(22,335)</u>	<u>(494,920)</u>
Operating loss		<u>(22,335)</u>	<u>(465,927)</u>
Net finance income	10	<u>4,519</u>	<u>35,102</u>
Loss before tax		<u>(17,816)</u>	<u>(430,825)</u>
Tax	11	<u>-</u>	<u>5,496</u>
Net loss for the year		<u>(17,816)</u>	<u>(425,329)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u>(17,816)</u>	<u>(425,329)</u>

The notes on pages 9 to 19 form an integral part of these financial statements.

STRIDES CIS LTD


STATEMENT OF FINANCIAL POSITION

31 March 2024

	Note	2024 US\$	2023 US\$
ASSETS			
Current assets			
Cash at bank	12	<u>26,197</u>	25,528
		<u>26,197</u>	<u>25,528</u>
Total assets		<u>26,197</u>	<u>25,528</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	13	3,371	3,263
Share premium		1,165,341	748,657
Other reserves		129,340	129,340
Accumulated losses		<u>(1,367,794)</u>	<u>(1,349,978)</u>
Total equity		<u>(69,742)</u>	<u>(468,718)</u>
Current liabilities			
Trade and other payables	14	<u>95,939</u>	494,246
		<u>95,939</u>	<u>494,246</u>
Total equity and liabilities		<u>26,197</u>	<u>25,528</u>

On 19 July 2024 the Board of Directors of Strides CIS Ltd authorised these financial statements for issue.


.....
Georgios Kyriakou
Director


.....
Androula Alexandrou
Director

The notes on pages 9 to 19 form an integral part of these financial statements.

STRIDES CIS LTD

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Note	Share capital US\$	Share premium US\$	Other reserve US\$	Accumulated losses US\$	Total US\$
Balance at 1 April 2022		3,263	748,657	129,340	(924,649)	(43,389)
Comprehensive loss						
Net loss for the year		-	-	-	(425,329)	(425,329)
Balance at 31 March 2023/ 1 April 2023		3,263	748,657	129,340	(1,349,978)	(468,718)
Comprehensive loss						
Net loss for the year		-	-	-	(17,816)	(17,816)
Transactions with owners						
Issue of share capital	13	108	416,684	-	-	416,792
Balance at 31 March 2024		3,371	1,165,341	129,340	(1,367,794)	(69,742)

The notes on pages 9 to 19 form an integral part of these financial statements.

STRIDES CIS LTD

CASH FLOW STATEMENT

For the year ended 31 March 2024

	2024 US\$	2023 US\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	<u>(17,816)</u>	<u>(430,825)</u>
	(17,816)	(430,825)
Changes in working capital:		
Decrease in receivables	-	406,286
Increase/(Decrease) in trade and other payables	<u>18,485</u>	<u>(3,208)</u>
Cash generated from/(used in) operations	<u>669</u>	<u>(27,747)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	669	(27,747)
Cash and cash equivalents at beginning of the year	<u>25,528</u>	<u>53,275</u>
Cash and cash equivalents at end of the year	<u>26,197</u>	<u>25,528</u>

The notes on pages 9 to 19 form an integral part of these financial statements.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. Incorporation and principal activities

Country of incorporation

Strides CIS Ltd (the "Company") was incorporated in Cyprus on 29 November 2007 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Julia House , 3 Themistocles Dervis, 1066, Nicosia, Cyprus.

Principal activities

The principal activity of the Company is to act as the representative of Strides Group in the Commonwealth of Independent States territory for marketing sales of pharmaceutical products. In the course of recent financial periods, the Company's trading operations ceased, and the Company became dormant.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention.

3. Functional and presentation currency

The financial statements are presented in United States Dollars (US\$) which is the functional currency of the Company.

4. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 April 2023. This adoption did not have a material effect on the accounting policies of the Company.

5. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Going concern basis

The financial statements have not been prepared on a going concern basis since the Company has ceased trading. Management is currently evaluating its options for resuming such trading. Up to the date of signing of the financial statements, no firm commitment to that effect has been made. Due to the current operating status of the Company, adoption of any alternative basis of accounting (such as the liquidation basis) would not amend the results, position and cashflows as represented by the entity's adopted accounting policies.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars (US\$), which is the Company's functional and presentation currency.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

5. Significant accounting policies (continued)

Foreign currency translation (continued)

(2) 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

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. Currently enacted tax rates are used in the determination of 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.

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 the deferred taxes relate to the same fiscal authority.

Financial assets

Financial assets - Classification

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

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

5. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

5. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 7, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 7, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 7, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

5. Significant accounting policies (continued)

Financial assets (continued)

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being 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 that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

6. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

7. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

7.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of ['C'].

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

These policies enable the Company to reduce its credit risk significantly.

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 March 2024 and 31 March 2023:

Bank details	External credit rating	2024	2023
		US\$	US\$
Bank of Cyprus	Ba1	4,136	7,567
State Bank of India	Baa3	22,061	17,961
Total		26,197	25,528

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

7. Financial risk management (continued)

7.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Cash and cash equivalents (continued)

There were no significant cash at bank balances written off during the year that are subject to enforcement activity.

7.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 March 2024	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$
Payables to related parties	86,568	86,568	86,568
	86,568	86,568	86,568

31 March 2023	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$
Payables to related parties	489,041	489,041	489,041
	489,041	489,041	489,041

7.3 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

8. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

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.

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

8. Critical accounting estimates and judgments (continued)

Judgments

The estimates and assumptions 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:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit 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.

9. Other operating income

	2024 US\$	2023 US\$
Other income	-	28,993
	<u>-</u>	<u>28,993</u>

10. Finance income/(costs)

	2024 US\$	2023 US\$
Exchange profit	8,042	39,196
Finance income	8,042	39,196
Net foreign exchange losses	(60)	(2,195)
Sundry finance expenses	(3,463)	(1,899)
Finance costs	(3,523)	(4,094)
Net finance income	4,519	35,102

11. Tax

	2024 US\$	2023 US\$
Corporation tax - prior years	-	(5,496)
Credit for the year	-	(5,496)

STRIDES CIS LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

11. Tax (continued)

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2024 US\$	2023 US\$
Loss before tax	<u>(17,816)</u>	<u>(430,825)</u>
Tax calculated at the applicable tax rates	(2,227)	(53,853)
Tax effect of expenses not deductible for tax purposes	7	6,476
Tax effect of allowances and income not subject to tax	(1,005)	43,848
Tax effect of group tax relief	-	3,529
Tax effect of tax loss for the year	3,225	-
Prior year tax	-	(5,496)
Tax charge	<u>-</u>	<u>(5,496)</u>

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

12. Cash at bank

Cash balances are analysed as follows:

	2024 US\$	2023 US\$
Cash at bank	<u>26,197</u>	<u>25,528</u>
	<u>26,197</u>	<u>25,528</u>

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 7 of the financial statements.

13. Share capital

	2024 Number of shares	2024 US\$	2023 Number of shares	2023 US\$
Authorised				
Ordinary shares of €1 each	<u>10,000</u>	<u>10,000</u>	10,000	10,000
Issued and fully paid				
Balance at 1 April	2,300	3,263	2,300	3,263
Issue of shares	<u>100</u>	<u>108</u>	-	-
Balance at 31 March	<u>2,400</u>	<u>3,371</u>	2,300	3,263

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14. Trade and other payables

	2024	2023
	US\$	US\$
Payables to related parties	86,568	489,041
Accruals	4,109	3,483
Other creditors	5,262	1,722
	<u>95,939</u>	<u>494,246</u>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

15. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the war between Russia and Ukraine. As at the date of authorising these financial statements for issue, the war continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the war is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the war in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the war between Russia and Ukraine war may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022 and to date. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

16. Related party transactions

The Company is controlled by Strides Pharma International Limited, incorporated in Cyprus, which owns 100% of the Company's shares. The Ultimate controlling party is Strides Pharma Science Limited which incorporated in India.

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For the year ended 31 March 2024

16. Related party transactions (continued)

The following transactions were carried out with related parties:

16.1 Payables to related parties (Note 14)

<u>Name</u>	<u>Nature of transactions</u>	2024 US\$	2023 US\$
Strides Pharma International Limited	Current account	-	409,735
Strides Pharma Global Pte Ltd	Current account	42,005	34,740
Strides Pharma (Cyprus) Limited	Current account	44,563	44,566
		<u>86,568</u>	<u>489,041</u>

All amounts payables to related companies are current accounts the bear no interest and without specified repayment date.

17. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2024.

18. Commitments

The Company had no capital or other commitments as at 31 March 2024.

19. Events after the reporting period

As explained in note 17 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the full scale military invasion in Ukraine. As at the date of authorising these financial statements for the issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Except from the matters mentioned above, there were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.