

NAVISCI PTE. LTD.

(Incorporated in Singapore. Registration Number: 200700344C)

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

**OA Assurance PAC
Public Accountants and
Chartered Accountants of Singapore**

NAVISCI PTE. LTD.

(Incorporated in Singapore. Registration Number: 200700344C)

ANNUAL REPORT

FOR FINANCIAL YEAR ENDED 31 MARCH 2024

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NAVISCI PTE. LTD.

DIRECTORS' STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The directors present their statement to the member together with the audited financial statements of Navisci Pte. Ltd. (the "Company") for the financial year ended 31 March 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024, and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Anil Kumar Satwani
Ng Heng Boon, Alina

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

4. Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations, except as follows:

	Holdings registered in the name of the directors	
	At beginning of year	At end of year
Immediate and Ultimate Holding Company		
- Symbiotec Pharmalab Private Limited		
<u>(No. of ordinary shares)</u>		
Anil Kumar Satwani	450,000	450,000

Anil Kumar Satwani, founder of Symbiotec Pharmalab Private Limited ("Symbiotec"), and his family own 30% equity ownership interest in Symbiotec. By virtue of Section 7 of the Act, Anil Kumar Satwani is deemed to have an interest in all the related corporations of the Company.

5. Share options

There was no share option granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. Auditor

OA Assurance PAC has expressed its willingness to accept re-appointment as auditor.

**ANIL
SATWANI** Digitally signed
by ANIL SATWANI
Date: 2024.06.28
11:03:58 +05'30'

Anil Kumar Satwani

28 June 2024



Ng Heng Boon, Alina

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
NAVISCI PTE. LTD.
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Navisci Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2024, 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 material accounting policy information.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2024, and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises the Directors' Statement, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
NAVISCI PTE. LTD.
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include 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 assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, 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 management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
NAVISCI PTE. LTD.
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

OA Assurance PAC
OA Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

28 June 2024

NAVISCI PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 US\$	2023 US\$
Revenue	4	5,000,000	-
Other losses, net	5	(2,610)	(69)
Administrative expenses	6	(245,159)	(533,882)
Finance costs	7	<u>(110,539)</u>	<u>(108,901)</u>
Profit (Loss) before income tax		4,641,692	(642,852)
Income tax expense	8	<u>-</u>	<u>-</u>
Profit (Loss) for the year, representing total comprehensive income (loss) for the year		<u><u>4,641,692</u></u>	<u><u>(642,852)</u></u>

The accompanying notes form an integral part of these financial statements.

NAVISCI PTE. LTD.**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 US\$	2023 US\$
ASSETS			
Non-current assets			
Equipment	9	-	-
Investment in subsidiary	10	200,000	200,000
Investment in joint ventures	11	1,575,080	1,575,080
		<u>1,775,080</u>	<u>1,775,080</u>
Current assets			
Cash at bank	12	8,103	8,088
Other receivables	13	4,998,461	5,073,461
Prepayments		13,145	13,145
		<u>5,019,709</u>	<u>5,094,694</u>
Total assets		<u><u>6,794,789</u></u>	<u><u>6,869,774</u></u>
LIABILITY AND EQUITY			
Current liability			
Other payables	14	1,284,534	2,501,211
Total liability		<u>1,284,534</u>	<u>2,501,211</u>
Equity			
Share capital	15	14,407,001	17,907,001
Accumulated losses		(8,896,746)	(13,538,438)
Total equity		<u>5,510,255</u>	<u>4,368,563</u>
Total liability and equity		<u><u>6,794,789</u></u>	<u><u>6,869,774</u></u>

The accompanying notes form an integral part of these financial statements.

NAVISCI PTE. LTD.**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Share capital US\$	Accumulated losses US\$	Total US\$
At 1 April 2022	17,907,001	(12,895,586)	5,011,415
Loss for the year, representing total comprehensive loss for the year	-	(642,852)	(642,852)
At 31 March 2023	17,907,001	(13,538,438)	4,368,563
Shares buyback (Note 15)	(3,500,000)	-	(3,500,000)
Profit for the year, representing total comprehensive income for the year	-	4,641,692	4,641,692
At 31 March 2024	<u>14,407,001</u>	<u>(8,896,746)</u>	<u>5,510,255</u>

The accompanying notes form an integral part of these financial statements.

NAVISCI PTE. LTD.**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	2024 US\$	2023 US\$
Operating activities		
Profit (Loss) before income tax	4,641,692	(642,852)
Adjustments for:		
Depreciation of equipment	-	31,450
Interest expense on amount due to holding company	110,539	108,901
Operating cash flows before changes in working capital	4,752,231	(502,501)
Other receivables	75,000	74,101
Other payables	(2,652,216)	(545,786)
Net cash from (used in) operating activities	2,175,015	(974,186)
Financing activities		
Net drawdown of advances payable to holding company	1,325,000	750,000
Shares buyback	(3,500,000)	-
Net cash (used in) from financing activities	(2,175,000)	750,000
Net increase (decrease) in cash and cash equivalents	15	(224,186)
Cash and cash equivalents at beginning of year	8,088	232,274
Cash and cash equivalents at end of year (Note 12)	8,103	8,088

The accompanying notes form an integral part of these financial statements.

NAVISCI PTE. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. General

Navisci Pte. Ltd. (the “Company”) is incorporated and domiciled in Singapore with its registered office at 50 Raffles Place, #17-01 Singapore Land Tower, Singapore 048623.

The principal activities of the Company are the development, production, and marketing of research-based Active Pharmaceutical Ingredients (“APIs”), and investment holdings.

These financial statements were authorised for issue in accordance with a resolution of the directors on the date of the Directors’ Statement.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires management to exercise its judgement in the process of applying the Company’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Adoption of new and amended standards and interpretations

At the beginning of the reporting period, the Company has adopted the new or amended FRS and Interpretations of FRS (“INT FRS”) that are mandatory for application for the financial year. Changes to the Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company’s accounting policies and had no material effect on the amounts reported for the current or prior years.

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

2. Material accounting policy information (Continued)

2.3 Standards issued but not yet effective

There is no mandatory standards, amendments and interpretations to existing standards that have been published which are relevant for the Company's accounting periods beginning on or after the end of the reporting period.

2.4 Currency translation

(a) 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 Company operates ("functional currency"). The financial statements are presented in United States Dollar ("USD"), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Monetary items include primarily financial assets and financial liabilities.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2.5 Revenue recognition

The Company generates revenue by providing research and development services. Revenue is recognised in the accounting period in which the services are rendered.

2. Material accounting policy information (Continued)

2.6 Equipment

(a) Classification and measurement

All items of equipment are initially recorded at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Laboratory and scientific equipment	5 years

The residual values, estimated useful lives and depreciation method of equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated equipment still in use are retained in the financial statements.

(c) Subsequent expenditure

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2. Material accounting policy information (Continued)

2.7 Investments in subsidiary and joint ventures

(a) Subsidiary

Subsidiary is an entity (including structured entities) over which the Company has control. The Company controls an entity when the Company 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 to direct the activities of the entity.

Investment in subsidiary is carried at cost less any accumulated impairment losses in the Company's statement of financial position. On disposal of such investment, the difference between disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

(b) Joint ventures

Joint ventures are entities over which the Company has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investment in joint ventures is carried at cost less any accumulated impairment losses in the Company's statement of financial position. On disposal of such investment, the difference between disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

(c) Exemption from consolidation and equity accounting

These financial statements are the separate financial statements of the Company. The Company is exempted from the requirements to prepare consolidated financial statements on its investment in subsidiary and apply equity accounting on its investment in joint ventures as the Company itself is a wholly-owned subsidiary of Symbiotec Pharmed Private Limited (immediate and ultimate holding company), incorporated in India, which prepares consolidated financial statements available for public use. The registered address of the immediate and ultimate holding company, where those consolidated financial statements can be obtained, is 385/2, Pigdamber, Near Mashal Hotel, Rau, Indore Madhya Pradesh, 453446, India.

2. Material accounting policy information (Continued)

2.8 Impairment of non-financial assets

Equipment, investment in subsidiary and investment in joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash at bank which is subject to an insignificant risk of changes in value.

2. Material accounting policy information (Continued)

2.10 Financial assets

(a) Classification and measurement

The Company classifies its financial assets at amortised cost.

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instruments mainly comprise of cash at bank and other receivables.

Debt instruments 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. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 17(a) details how the Company determines whether there has been a significant increase in credit risk.

2. Material accounting policy information (Continued)

2.10 Financial assets (Continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company 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 Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

2.11 Offsetting of financial instruments

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

2.12 Other payables

Other payables represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the profit or loss as finance charge.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

2. Material accounting policy information (Continued)

2.14 Taxes

The Company does not consider the following taxes to be financial assets and liabilities at the end of the reporting period.

(a) Income taxes, including withholding taxes

Current income tax for the current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

(b) Sales tax

Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

2. Material accounting policy information (Continued)

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3. Critical accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Critical judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, apart from those involving estimations (see below), management is not aware of any critical judgement that have significant effect on the amounts recognised in the financial statements.

3.2 Critical accounting estimates and assumptions

Management is of the opinion that the Company does not have any key sources of estimation uncertainty and assumptions 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, except as discussed below.

(a) Impairment of investments in subsidiary and joint ventures

Investments in subsidiary and joint ventures are stated at cost less any impairment losses. The Company follows the guidance of FRS 36 *Impairment of Assets* to determine whether its investments in subsidiary and joint ventures are impaired which requires significant judgement.

In making this judgement, the Company evaluates, among other factors, the market and economic environment in which the investees operate, economic performance of the investees, the duration and extent to which the cost of investment exceeds their net tangible assets value.

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

3. Critical accounting judgements, estimates and assumptions (Continued)

3.2 Critical accounting estimates and assumptions (Continued)

(a) Impairment of investments in subsidiaries and joint ventures (Continued)

However, due to the private nature of the investees, detailed financial data for assessing recoverability of cost of investment is not available (limitation of scope). Notwithstanding this limitation, the investees' status as a part of the Symbiotec Pharmalab Private Limited's group of companies ensures financial support from the ultimate holding company, mitigating any potential recoverability issues.

Consequently, management believes that no allowance for impairment of investments in subsidiary and joint ventures is required.

The carrying amount of investments in subsidiary and joint ventures is disclosed in Notes 10 and 11 respectively.

(b) Loss allowance of amounts due from subsidiary and joint venture

At the end of each reporting period, the Company evaluates the ECL on amounts due from subsidiary and joint venture whether there is any objective evidence of specific loss allowance required.

Management has considered several factors such as the probability of insolvency or significant financial difficulties of the subsidiary, and default or significant delay in payments.

However, due to the private nature of the investees, detailed financial data for assessing loss allowance of amounts due from subsidiary and joint venture is not available (limitation of scope). Notwithstanding this limitation, the subsidiary's status as a part of the Symbiotec Pharmalab Private Limited's group of companies ensures financial support from the ultimate holding company, mitigating any potential recoverability issues.

Management believes that no loss allowance of amounts due from subsidiary and joint venture is required.

The net carrying amounts and credit risk exposure of amount due from subsidiary and joint venture are disclosed in Notes 13 and 17(a) respectively.

NAVISCI PTE. LTD.**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

4. Revenue

	2024 US\$	2023 US\$
Service income	<u>5,000,000</u>	<u>-</u>

5. Other losses, net

	2024 US\$	2023 US\$
Foreign exchange losses, net	<u>(2,610)</u>	<u>(69)</u>

6. Administrative expenses

	2024 US\$	2023 US\$
Product development expenses	69,579	306,225
Professional fees	175,078	194,864
Depreciation of equipment	-	31,450
Others	<u>502</u>	<u>1,343</u>
	<u>245,159</u>	<u>533,882</u>

7. Finance costs

	2024 US\$	2023 US\$
Interest expense on amount due to holding company	<u>110,539</u>	<u>108,901</u>

NAVISCI PTE. LTD.**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

8. Income tax expense

	2024 US\$	2023 US\$
Current income tax	-	-

The income tax expense on the Company's profit (loss) before income tax differs from the theoretical amount that would rise using the Singapore statutory income tax rate of 17% (2021: 17%) as follows:

	2024 US\$	2023 US\$
Profit (Loss) before income tax	4,641,692	(642,852)
Income tax expense (credit) calculated at statutory tax rate	789,088	(109,285)
Tax effects of:		
- Non-deductible expenses	47,421	69,391
- Deferred tax asset not recognised	(836,509)	39,894
	-	-

As at the end of the reporting period, the Company has unutilised tax losses of SGD 9,658,518 equivalent to US\$7,109,693 (2022: SGD 19,198,658 equivalent to US\$13,987,074), for which no deferred tax asset is recognised in view of the uncertainty of its recoverability. The unutilised items can be carried forward for unlimited period subject to conditions imposed by law.

NAVISCI PTE. LTD.

NOTES TO FINANCIAL STATEMENTS
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9. Equipment

	Laboratory and scientific equipment	
	2024 US\$	2023 US\$
Cost		
At beginning and end of year	188,888	188,888
Accumulated depreciation		
At beginning of year	188,888	157,438
Depreciation	-	31,450
At end of year	188,888	188,888
Net carrying amount	-	-

Fully depreciated equipment still in use are retained in the financial statements.

10. Investment in subsidiary

	2024 US\$	2023 US\$
Unquoted equity shares, at cost	200,000	200,000

Details of the Company's subsidiary at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Country of incorporation and place of business	Proportion of equity ownership interest and voting power held by the Company	
			2023 %	2022 %
Propel Pharma Corp ¹	Development, production, and marketing of Active Pharmaceutical Ingredients ("APIs")	United States of America	100	100

¹ Exempted from audit based on regulatory requirements in the country of incorporation and operations.

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**NOTES TO FINANCIAL STATEMENTS
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11. Investment in joint ventures

	2024 US\$	2023 US\$
Unquoted equity shares, at cost	<u>1,575,080</u>	<u>1,575,080</u>

Details of the Company's joint ventures at the end of the reporting period are as follows:

Name of joint venture	Principal activity	Country of incorporation and place of business	Proportion of equity ownership interest and voting power held by the Company	
			2023 %	2022 %
Xenamed Corporation ¹	Development, production, and marketing of Active Pharmaceutical Ingredients ("APIs")	United States of America	50	50
Starling Therapeutics LLC ¹	Development, production, and marketing of Active Pharmaceutical Ingredients ("APIs")	United States of America	51	51

¹ Exempted from audit based on regulatory requirements in the country of incorporation and operations.

12. Cash at bank

	2024 US\$	2023 US\$
Cash at bank, representing cash and cash equivalents per statement of cash flows	<u>8,103</u>	<u>8,088</u>

NAVISCI PTE. LTD.**NOTES TO FINANCIAL STATEMENTS
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13. Other receivables

	2024 US\$	2023 US\$
Amount due from subsidiary	4,997,008	5,072,008
Deposits paid	1,453	1,453
	<u>4,998,461</u>	<u>5,073,461</u>

Non-trade amounts due from subsidiary arise primarily from payment on behalf by the Company. They are unsecured, non-interest bearing and repayable on demand.

Deposits paid are due in their operating cycle which may be more than 12 months after the end of the reporting period and these are classified as current assets.

14. Other payables

	2024 US\$	2023 US\$
Amount due to holding company	785,539	1,706,389
Amount due to joint venture	307,705	645,805
Non-related parties	154,964	112,659
Accrued expenses	36,326	36,358
	<u>1,284,534</u>	<u>2,501,211</u>

Non-trade amounts due to holding company and joint venture arise primarily from payment on behalf for the Company. They are unsecured and repayable on demand, and non-interest bearing, except for amount due to holding company amounting to US\$675,000 (2023: US\$1,500,000) bear fixed interest rate of 8.75% (2023: 7.8%) per annum.

NAVISCI PTE. LTD.**NOTES TO FINANCIAL STATEMENTS
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15. Share capital

	Number of shares		Amount	
	2024	2023	2024 US\$	2023 US\$
Issued and fully paid ordinary shares				
At beginning of year	17,907,001	17,907,001	17,907,001	17,907,001
Shares buyback	(3,500,000)	-	(3,500,000)	-
At end of year	<u>14,407,001</u>	<u>17,907,001</u>	<u>14,407,001</u>	<u>17,907,001</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

On 19 September 2023, the sole member of the Company approved a share buyback. Pursuant to this approval, the Company bought back and cancelled 3.5 million ordinary shares. The total amount of US\$3.5 million was returned in cash to the sole member as a result of this transaction.

16. Holding company and related party transactions

The Company is a wholly-owned subsidiary of Symbiotec Pharmed Private Limited, incorporated in India, which the directors consider it as the Company's ultimate holding company.

As described in the *Directors' Interests in Shares and Debentures* section of the Directors' Statement, certain director of the Company is also the shareholder of the ultimate holding company.

Related parties in these financial statements refer to the members of the ultimate holding company's group of companies and entities under the common control of the directors and their immediate family members.

**NOTES TO FINANCIAL STATEMENTS
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16. Holding company and related party transactions (Continued)

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Significant transactions with related parties

	2024	2023
	US\$	US\$
With holding company		
Interest expense	<u>(110,539)</u>	<u>(108,901)</u>

(b) Key management personnel compensation

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling activities of the Company. The Company's key management personnel are also the directors of the Company.

No key management personnel have received remuneration from the Company in current and prior years as the Company is managed by the holding company and no management fee is charged to the Company.

17. Financial risk management

The Company's activities expose it to a variety of financial risks. The Company's overall business strategies, tolerance of risk and general risk management philosophy are determined by the holding company in accordance with prevailing economic and operating conditions.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company.

The credit risk on non-trade amounts due from subsidiary and joint venture are considered to be relatively low risk.

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

As the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

(b) Currency risk

Currency risk arises when transactions are denominated in foreign currencies other than functional currency.

At the end of the reporting period, the Company's exposures to currency risk is minimal as transactions are predominantly denominated in United States Dollar and majority of its financial assets and financial liabilities are denominated in United States Dollar.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to foreign currency exchange rate at the end of the reporting period.

17. Financial risk management (Continued)

(c) Interest rate risk

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

As the Company has no significant interest-bearing assets, the Company's income is substantially independent of changes in market interest rates.

The Company has interest-bearing liabilities arises mainly from certain amount due to holding company at fixed rate (see Note 14).

As the Company has no significant interest-bearing assets and liabilities at variable rate, the Company's profit or loss is substantially independent of changes in market interest rates.

(d) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash to meet obligations when due.

All financial assets and financial liabilities are repayable on demand, due within one year after the end of the reporting period and/or due in their operating cycle.

(e) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to enhance shareholder value.

The capital structure of the Company is predominantly equity.

The Company is not exposed to externally imposed capital requirements.

The Company's overall strategy remains unchanged from prior year.

(f) Fair value measurements

The fair value of financial assets and financial liabilities carried at amortised cost approximate their carrying amounts.

**NOTES TO FINANCIAL STATEMENTS
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17. Financial risk management (Continued)

(g) Financial instruments by category

The carrying amounts of the financial instruments by category is as follows:

	2024 US\$	2023 US\$
Financial assets at amortised cost		
Cash at bank	8,103	8,088
Other receivables	4,998,461	5,073,461
	<u>5,006,564</u>	<u>5,081,549</u>
Financial liability at amortised cost		
Other payables	<u>1,284,534</u>	<u>2,501,211</u>