

Agilus Diagnostics FZ LLC

**Dubai Healthcare City
Dubai, United Arab Emirates**

**Reports and financial statements
For the year ended 31 March 2025**

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates

Table of contents	Pages
General information	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Statement of financial position	7
Statement of profit or loss and other comprehensive income	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 34

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
General information

Principal office address:

Unit No. 1018 & 1019, Building No. 64
Dubai Healthcare City
P.O. Box: 505143
Dubai, United Arab Emirates
T: +971 4 448 3100

Directors:

Mr. Anand Kuppuswamy
Mr. Sundaram Kandaswamy

Auditor:

Crowe Mak
P.O. Box: 6747
Dubai, United Arab Emirates

Main Bank:

Mashreq Bank PSC

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Directors' report

The Directors have pleasure in presenting their report and the audited financial statements for the year ended 31 March 2025.

Principal activities of the Entity

The Entity's principal activities consist of operating as a diagnostic center and medical laboratory.

Financial review

The table below summarizes the results of the year 2025 and 2024.

	2025	2024
	AED	AED
Revenue	8,456,916	8,115,777
Direct expenses	(5,018,723)	(5,310,193)
Gross profit	3,438,193	2,805,584
Gross profit ratio	40.66%	34.57%
Total expenses	3,069,576	(3,643,362)
Net profit/(loss)	476,503	(834,198)
Net profit/(loss) ratio	5.63%	(10.28)%

Role of the Directors

The Directors are the Entity's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Entity for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. The Directors set the strategies and policies of the Entity. They monitor performance of the Entity's business, guide and supervise its management.

Going concern

These financial statements have been prepared on a going concern basis, despite the fact that the Entity has accumulated losses of AED 102,103,806 (2024: AED 102,580,309), negative equity of AED 5,854,150 (2024: AED 6,330,653), and a working capital deficit of AED 5,125,478 (2024: AED 5,266,599) as at March 31, 2025. The shareholder continues to provide financial support to the Entity as and when required to enable it to continue its operations in the foreseeable future. Management has identified various cost-reduction initiatives and has begun renewing contracts to enhance revenue. The impact of these measures is expected to be visible in the near future.

Events after year end

In the opinion of the Directors, no transaction or event of a material and unusual nature, favourable or unfavourable 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. Crowe Mak – Dubai, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

**Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Directors' report (continued)**

Statement of Directors' responsibilities

The applicable requirements require the Directors to prepare the financial statements for each financial year which present 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 Directors confirm 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 them to ensure that the financial statements comply with the requirements of the applicable statute. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order for the financial statements to 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 operations.

The financial statements set out on pages 7 to 34, which have been prepared on the going concern basis were approved by the Shareholder on the date of these financial statements and signed on behalf of the Entity by:



Mr. Sundaram Kandaswamy
Director

13 May 2025

Ref: MK/B1702H/May'2025

Independent auditor's report

To,
The Shareholder
Agilus Diagnostics FZ LLC
P.O. Box: 505143
Dubai Healthcare City
Dubai, United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Agilus Diagnostics FZ LLC (the "Entity"), 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 material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 Entity 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 audits of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements, which explains that the Entity has prepared the financial statements on a going concern basis, despite having accumulated losses of AED 102,103,806 (2024: AED 102,580,309), negative equity of AED 5,854,150 (2024: AED 6,330,653), and a working capital deficit of AED 5,125,478 (2024: AED 5,266,599) as of that date. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises 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.

Independent auditor's report (continued)

To the Shareholder of Agilus Diagnostics FZ LLC Report on the Audit of Financial Statements (continued)

Responsibilities 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 IFRS Accounting Standards as issued by the International Accounting Standards Board, and their preparation in compliance with the applicable provisions of the U.A.E. DHCC Company regulation No.8 of 2013, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 error or fraud, 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 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:

- 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.
- Conclude on the appropriateness of management's use of 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 Entity'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 Entity 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.

Independent auditor's report (continued)



To the Shareholder of Agilus Diagnostics FZ LLC Report on the Audit of Financial Statements (continued)

Report on Other Legal and Regulatory Requirements

Further, as required by the U.A.E. DHCC Company regulation No.8 of 2013, we further confirm that,

- (a) We have obtained all the information and explanations which we consider necessary for our audit,
- (b) The financial statements have been prepared and comply in all material respects with the applicable provisions of the U.A.E. DHCC Company regulation No.8 of 2013, and the Memorandum of Association of the Entity,
- (c) Proper books of account have been maintained by the Entity,
- (d) The contents of the Directors' report which relates to the financial statements are in agreement with the Entity's books of account,
- (e) The Entity has not made any investment in shares and stocks during the year ended 31 March 2025,
- (f) Note 10 to the financial statements reflects the disclosures relating to material related party transactions and the terms under which they were conducted, and
- (g) Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial year ended, any of the applicable provisions of the U.A.E. DHCC Company regulation No.8 of 2013 or its Memorandum of Association of the Entity, which would materially affect its activities or its financial position as of March 31, 2025.

Crowe Mak

Khalid Mehmood Chaudhry
Senior Partner
Registered Auditor Number: 635
Dubai, United Arab Emirates
13 May 2025

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Statement of financial position as at 31 March 2025

	Notes	2025 AED	2024 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	154,585	250,767
Right-of-use assets	7	1,495,431	256,775
Total non-current assets		1,650,016	507,542
Current assets			
Inventories	8	120,854	160,937
Trade and other receivables	9	6,810,473	7,067,102
Cash and cash equivalents	11	386,791	209,675
Total current assets		7,318,118	7,437,714
Total assets		8,968,134	7,945,256
EQUITY AND LIABILITIES			
Equity			
Share capital	12	1,471,000	1,471,000
Accumulated losses		(102,103,806)	(102,580,309)
Share premium	13	10,134,387	10,134,387
Reserve	14	84,644,269	84,644,269
Deficit		(5,854,150)	(6,330,653)
LIABILITIES			
Non-current liabilities			
Loan from related parties	10	1,398,587	1,323,780
Employees' end-of-service benefits	15	117,545	247,816
Lease liabilities	16	862,556	-
Total non-current liabilities		2,378,688	1,571,596
Current liabilities			
Due to a related party	10	10,101,268	10,590,487
Lease liabilities	16	554,792	135,242
Trade and other payables	17	1,777,498	1,978,584
Corporate tax liability	18	10,038	-
Total current liabilities		12,443,596	12,704,313
Total liabilities		14,822,284	14,275,909
Total equity and liabilities		8,968,134	7,945,256

These financial statements were approved and authorised for issue on 13 May 2025.

The financial statements set out on pages 7 to 34, which have been prepared on the going concern basis were approved by the Shareholder on the date of these financial statements and signed on behalf of the Entity by:


Mr. Sundaram Kandaswamy
 Director

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

The report of the auditor is set out on pages 4 to 6.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Statement of profit or loss and other comprehensive income for the year ended 31
March 2025

	Notes	2025 AED	2024 AED
Revenue	19	8,456,916	8,115,777
Direct expenses	20	(5,018,723)	(5,310,193)
Gross profit		3,438,193	2,805,584
Other income	21	117,924	3,580
Selling and distribution expenses	22	(28,691)	(34,940)
General and administrative expenses	23	(2,827,377)	(3,438,414)
Finance cost	24	(213,508)	(170,008)
Profit/(loss) before corporate tax		486,541	(834,198)
Corporate tax expense	25	(10,038)	-
Net profit/(loss) for the year		476,503	(834,198)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		476,503	(834,198)

The accompanying notes and policies form an integral part of these financial statements.
The report of the auditor is set out on pages 4 to 6.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Statement of changes in equity for the year ended 31 March 2025

	Share capital	Share premium	Reserve	Accumulated losses	Total
	AED	AED	AED	AED	AED
As at 1 April 2023	1,471,000	10,134,387	84,644,269	(101,746,111)	(5,496,455)
Net loss for the year	-	-	-	(834,198)	(834,198)
As at 31 March 2024	1,471,000	10,134,387	84,644,269	(102,580,309)	(6,330,653)
Net profit for the year	-	-	-	476,503	476,503
As at 31 March 2025	1,471,000	10,134,387	84,644,269	(102,103,806)	(5,854,150)

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

The report of the auditor is set out on pages 4 to 6.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Statement of cash flows for the year ended 31 March 2025

	Notes	2025 AED	2024 AED
Cash flows from operating activities			
Profit/(loss) for the year before tax		486,541	(834,198)
Adjustments for:			
Depreciation of property, plant and equipment	6	107,294	159,800
Depreciation of right-of-use asset	7	617,740	616,422
Employees' end-of-service benefits	15	-	34,666
Reversal of employees' end-of-service benefits	15	(4,151)	-
Interest expense on lease liabilities	24	85,195	24,055
Finance cost	24	128,313	145,953
Corporate tax expenses	25	(10,038)	-
Operating cash flows before changes in operating assets and liabilities		1,410,894	146,698
Decrease in inventories	8	40,083	141,637
Decrease/(increase) in trade and other receivables	9	256,629	(266,433)
Increase/(decrease) in due to a related party	10	(489,219)	1,118,541
Decrease in trade and other payables	17	(201,086)	(984,908)
Increase in corporate tax liability	18	10,038	-
Cash generated from operating activities		1,027,339	155,535
Employees' end-of-service benefits paid	15	(126,120)	(17,590)
Interest paid	24	(128,313)	(145,953)
Net cash generated from/(used in) operating activities		772,906	(8,008)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(11,112)	(42,615)
Net cash (used in) investing activities		(11,112)	(42,615)
Cash flows from financing activities			
Proceeds/(repayment) of loan from related parties	10	74,807	(241,074)
Repayment of interest portion of the lease liability	16	(85,195)	(24,055)
Repayment of lease liabilities	16	(574,290)	(687,848)
Net cash (used in) financing activities		(584,678)	(952,977)
Net increase/(decrease) in cash and cash equivalents		177,116	(1,003,600)
Cash and cash equivalents at the beginning of the year		209,675	1,213,275
Cash and cash equivalents at the end of the year	11	386,791	209,675

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

The report of the auditor is set out on pages 4 to 6.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

1 General information

Agilus Diagnostics FZ LLC (the "Entity") was incorporated on February 11, 2009, as a Limited Liability Free Zone Entity in Dubai Healthcare City, Dubai, United Arab Emirates. The Entity operates under a commercial license issued by the Dubai Healthcare City Authority, which is part of the Government of Dubai.

The Entity's principal activities consists of diagnostic center and medical laboratory.

The registered office of the Entity is located at Unit No. 1018 and 1019, Building No. 64, Dubai Healthcare City, P.O. Box: 505143, Dubai, United Arab Emirates.

The management is vested with Mr. Sundaram Kandaswamy, the Director, Indian citizen.

These financial statements incorporate the operating results of commercial license no. 358.

2 Going concern

These financial statements have been prepared on a going concern basis, despite the fact that the Entity had accumulated losses of AED 102,103,806 (2024: AED 102,580,309), negative equity of AED 5,854,150 (2024: AED 6,330,653), and a working capital deficit of AED 5,125,478 (2024: AED 5,266,599) as at March 31, 2025. The shareholders have indicated their intention to provide adequate financial support to the Entity, as and when required, to enable it to continue its operations in the foreseeable future.

3 Application of new and revised Standards

3.1 New and amended Standards that are effective for the current year

In the current year, the Entity has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

<u><i>New and revised Standards</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements	1 January 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 1 Classification of Liabilities as Current or Non-current	1 January 2024
IFRS Sustainability Disclosure Standards	1 January 2024
Management has adopted the new and amended IFRS standards in the current period and believes that these standards do not have material impact on these financial statements unless mentioned above.	

3.2 New and revised Standards in issue but not yet effective

The Entity has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

<u><i>New and revised Standards</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of assets between an Investor and its Associate or Joint Venture:	No effective date set
Amendments to IAS 21 Lack of exchangeability	1 January 2025
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Management anticipates that these standards will not have any significant impact on these financial statements.	

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies

4.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

4.2 Basis of preparation

The financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Current/Non-current classification

The Entity presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting year, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting year, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Entity classifies all other liabilities as non-current.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Entity takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

The principal accounting policies are set out below.

4.3 Functional currency

These financial statements are presented in United Arab Emirates Dirham (AED), which is the Entity's functional currency.

4.4 Revenue recognition

The Entity has applied IFRS 15. As a result, the Entity has applied the following accounting policy in the preparation of its financial statements.

For contracts determined to be within the scope of revenue recognition, the Entity is required to apply a five-step model to determine when to recognise revenue, and at what amount.

The Entity recognises revenue from contracts with customers based on the five step model set out in IFRS 15:

Step 1: Identify the contract(s) with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligation in the contract

A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies (continued)

4.4 Revenue recognition (continued)

Step 3: Determine the transaction price

The transaction price is the amount of consideration the Entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Entity satisfies a performance obligation and recognises revenue over time, when the Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Performance obligation

Diagnostic test fees

Diagnostic services including clinical pathology, laboratory medicine, radiology, and nuclear medicine constitute a distinct performance obligation. This obligation is satisfied at the point in time when the test results or diagnostic reports are delivered to the customer. Revenue is therefore recognized upon the completion and delivery of these reports, as this is when the customer obtains control of the promised service.

4.5 Leases

The Entity leases office spaces. Rental contracts are typically made for fixed periods of 3 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Entity assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if it 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 Entity assess whether:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Entity. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Entity's incremental borrowing rate can be used.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivables

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Entity re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies (continued)

4.5 Leases (continued)

The Entity did not make any such adjustments during the year.

The lease liability is presented as a separate line in the statement of financial position.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated using straight-line method from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The right-of-use assets are presented as a separate line in the statement of financial position.

4.6 Foreign currencies

In preparing the financial statements of the Entity, transactions in currencies other than the Entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

4.7 Employee benefits

End of service benefits

Provision is made for the full amount of end of service benefits due to non-U.A.E. national employees in accordance with the applicable Labour Law and is based on current remuneration and their period of service at the end of the reporting year.

4.8 Taxation

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

On 9 December 2022, the UAE Ministry of Finance ("MOF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. Furthermore, on 16 January 2023, a Cabinet Decision was published specifying the threshold of AED 375,000 of taxable income above which taxable entities would be subject to a 9% corporate tax rate. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

The taxable income of the Entity in scope for UAE CT purposes is subject to the rate of 9% corporate tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date where the Entity generates taxable income. Management will periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be settled with the tax authorities.

4.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income when incurred.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies (continued)

4.9 Property, plant and equipment (continued)

The following useful lives are used in the calculation of depreciation:

	<u>Useful lives</u>
Laboratory assets	5 years
Office partitions and improvements	3-5 years
Furniture and fixtures	5 years
Motor vehicles	5 years
Office equipments	5 years
Computers	3-5 years

4.10 Impairment of tangible assets

At the end of each reporting period, the Entity 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). When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a 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.

4.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4.12 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.13 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies (continued)

4.13 Financial assets (continued)

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets 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 instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Impairment of financial assets

The Entity recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Entity always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Entity recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Write-off policy

The Entity writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Entity's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash held in bank account are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade and other receivables were non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other receivable (including bank balances and cash) and others were measured at amortised cost using the effective interest method, less any impairment.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

4 Material accounting policies (continued)

4.13 Financial assets (continued)

Derecognition of financial assets

The Entity derecognises a financial asset 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 of the asset to another party. If the Entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the Entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity was recognised in profit or loss.

4.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an Entity after deducting all of its liabilities. Equity instruments issued by the Entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Entity, are measured in accordance with the specific accounting policies set out below.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting 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 the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 4 to these financial statements, 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. The significant judgements and estimates made by management 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:

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

5 Critical accounting judgements and key sources of estimation uncertainty

5.1 Critical judgements in applying accounting policies

Judgements in determining the timing of satisfaction of performance obligations

In making their judgement, the Manager considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Entity had provided the diagnostics services. The Managers are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of note 4.13). The Entity determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Entity monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Entity's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

5.2 Key sources of estimation uncertainty

Allowance for doubtful debts

Allowances for doubtful debts are determined using a combination of factors to ensure that trade receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors, including the overall quality and ageing of receivables, continuing credit evaluation of the customer's financial conditions and collateral requirements from customers in certain circumstances. In addition, specific allowances for individual accounts are recorded when the Entity becomes aware of the customer's inability to meet its financial obligations.

Net realisable value of inventories

Inventories are stated at the lower of cost or net realizable value. Adjustments to reduce the cost of inventory to its realizable value, if required, are made for estimated obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, product pricing, physical deterioration and quality issues.

Discounting of lease payments

The lease payments are discounted using the Entity's incremental borrowing rate ("IBR"). The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position at the date of initial application is 4.50%. Management has applied judgments and estimates to determine the IBR at the commencement of lease.

Useful lives of property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

5 Critical accounting judgements and key sources of estimation uncertainty

5.2 Key sources of estimation uncertainty (continued)

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the financial statements.

Useful lives and residual values of property, plant and equipment

The Entity reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Entity considers climate-related matters, including physical and transition risks. Specifically, it determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Entity's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on its buildings and office properties.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates

Notes to the Financial Statements for the year ended 31 March 2025

6	Property, plant and equipment	Laboratory assets and improvements		Office partitions and fixtures		Furniture and fixtures		Motor vehicles		Office equipments		Computers		Total	
		AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
	Cost														
	As at 1 April 2023	5,412,509	8,840,957	106,951	106,951	66,529	19,254	844,945	15,291,145						
	Additions	350	1,580	-	-	-	-	40,685	42,615						
	Disposals	-	-	-	-	(7,000)	-	-	(7,000)						(7,000)
	As at 31 March 2024	5,412,859	8,842,537	106,951	106,951	59,529	19,254	885,630	15,326,760						
	Additions	-	-	-	-	-	1,832	9,280	11,112						
	Disposals	(336,354)	(249,000)	-	-	-	-	-	(585,354)						
	As at 31 March 2025	5,076,505	8,593,537	106,951	106,951	59,529	21,086	894,910	14,752,518						
	Accumulated depreciation														
	As at 1 April 2023	5,260,933	8,800,730	106,950	106,950	66,528	9,756	678,296	14,923,193						
	Depreciation expense	51,896	32,322	-	-	-	2,370	73,212	159,800						
	Disposals	-	-	-	-	(7,000)	-	-	(7,000)						
	As at 31 March 2024	5,312,829	8,833,052	106,950	106,950	59,528	12,126	751,508	15,075,993						
	Depreciation expense	38,001	7,272	-	-	-	2,408	59,613	107,294						
	Disposals	(336,354)	(249,000)	-	-	-	-	-	(585,354)						
	As at 31 March 2025	5,014,476	8,591,324	106,950	106,950	59,528	14,534	811,121	14,597,933						
	Carrying amount														
	As at 31 March 2024	100,030	9,485	1	1	1	7,128	134,122	250,767						
	As at 31 March 2025	62,029	2,213	1	1	1	6,552	83,789	154,585						

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

6 Property, plant and equipment (continued)

The depreciation charge has been disclosed in the statement of profit or loss as follows:

	2025	2024
	AED	AED
Direct expenses (Note 20)	38,001	51,896
General and administrative expenses (Note 23)	69,293	107,904
	107,294	159,800

7 Leases (the Entity as Lessee)

The Entity leases office spaces. The average lease term is 3 years (2024: 3 years).

Right-of-use assets

Movement of the recognised right-of-use assets during the year:

	Office spaces	Total
	AED	AED
Cost		
As at 1 April 2023	3,248,774	3,248,774
As at 31 March 2024	3,248,774	3,248,774
Additions during the year	1,856,397	1,856,397
Retirements during the year	(3,248,773)	(3,248,773)
As at 31 March 2025	1,856,398	1,856,398
Accumulated depreciation		
As at 1 April 2023	2,375,577	2,375,577
Charge for the year	616,422	616,422
As at 31 March 2024	2,991,999	2,991,999
Charge for the year	617,740	617,740
Related to retirements during year	(3,248,772)	(3,248,772)
As at 31 March 2025	360,967	360,967
Carrying amount		
As at 31 March 2025	1,495,431	1,495,431
As at 31 March 2024	256,775	256,775

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

7 Leases (the Entity as Lessee) (continued)

Amounts recognised in profit or loss

	2025	2024
	AED	AED
Depreciation expense on right-of-use assets (Note 23)	617,740	616,422
Interest expense on lease liabilities (Note 24)	85,195	24,055

8 Inventories

	2025	2024
	AED	AED
Consumables	120,854	160,937

The inventory is stored in a laboratory located at Dubai Healthcare City in Dubai, United Arab Emirates, as well as a warehouse situated in Al Nahda Industrial Area in Sharjah, United Arab Emirates.

9 Trade and other receivables

	2025	2024
	AED	AED
Trade receivables	12,331,817	12,563,244
Loss allowance	(6,178,615)	(6,103,150)
	6,153,202	6,460,094
Advances to suppliers	209,000	242,178
Prepayments	230,888	171,915
Deposits	151,862	151,861
Staff advances	36,772	39,705
Other receivables	28,749	1,349
	6,810,473	7,067,102

Of the trade receivables as at 31 March 2025 there are 5 customers (2024: 5) which represent 33% (2024: 27%) of the total receivables.

	2025	2024
	AED	AED
Primary Geographical Markets		
Within U.A.E	10,659,695	10,937,780
Outside U.A.E.	1,672,122	1,625,464
	12,331,817	12,563,244

The average credit period on diagnostics services is 90 days. No interest is charged on outstanding trade receivables.

The Entity has a formal policy to apply a 50% allowance on receivables outstanding for over 270 days, and a 100% allowance on those outstanding for more than 820 days.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

9 Trade and other receivables (continued)

The following table details the risk profile of trade receivables based on the Entity's provision matrix. As the Entity's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Entity's different customer base.

		<u>Trade receivables – ageing analysis</u>					Total
		1 - 90 days	91 - 120 days	121 - 150 days	151 - 180 days	more than 180 days	
		AED	AED	AED	AED	AED	AED
Expected credit loss rate		-%	-%	-%	-%	71.00%	
Total gross carrying amount at default		1,866,558	605,506	624,612	528,064	8,707,077	12,331,817
Lifetime ECL		-	-	-	-	6,178,615	6,178,615
							6,153,202

		<u>Trade receivables – ageing analysis</u>					Total
		1 - 90 days	91 - 120 days	121 - 150 days	151 - 180 days	more than 180 days	
		AED	AED	AED	AED	AED	AED
Expected credit loss rate		-%	-%	-%	-%	69.00%	
Total gross carrying amount at default		2,005,352	539,087	549,312	571,554	8,897,939	12,563,244
Lifetime ECL		-	-	-	-	6,103,150	6,103,150
							6,460,094

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

9 Trade and other receivables (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9:

	Total AED
Balance as at 1 April 2023	5,533,964
Charge during the year	<u>569,186</u>
Balance as at 31 March 2024	6,103,150
Charge during the year	<u>75,465</u>
Balance as at 31 March 2025	<u>6,178,615</u>

10 Related party balances and transactions

The Entity enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common management and control, key management personnel and shareholders. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

a) At the end of the reporting year, amounts due from related parties were as follows:

	2025 AED	2024 AED
Due from an entity with joint control of, or significant influence over the Entity		
M/s. Mena Healthcare Investment Company Limited, B.V.I.	1,281,999	1,281,999
Less: Allowance for doubtful receivables from related parties	<u>(1,281,999)</u>	<u>(1,281,999)</u>
	<u>-</u>	<u>-</u>

b) At the end of the reporting year, amounts due to related parties were as follows:

	2025 AED	2024 AED
Due to parent		
M/S. Agilus Diagnostics Ltd., India*	10,101,268	10,590,487
Loan from related parties		
M/S. Medical Management Company Limited, B.V.I, under common control**	58,846	58,846
M/S. Agilus Diagnostics Ltd., India, parent entity***	<u>1,339,741</u>	<u>1,264,934</u>
	<u>11,499,855</u>	<u>11,914,267</u>

*The amount due to the parent is classified as current and relates to charges that vary during the year based on services provided by the parent and reimbursements of expenses incurred on behalf of the Entity.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

10 Related party balances and transactions (continued)

**The above loan from M/S. Medical Management company limited, British Virgin Island is interest free loan. The interest on loan from M/S. Agilus Diagnostics Ltd. ('Parent'), India is 10.50% / annum ('Interest') payable in arrears for the tenure and shall be reviewed every year.

***Agilus Diagnostics FZ LLC, Dubai ('the Borrower') may repay all or part of the loan at any time. However, the full loan amount, along with applicable interest, is to be repaid within three years from the date of disbursement ('Maturity Date'). As per the agreement, the terms of the loan may be amended by mutual consent between the Borrower and the Parent Company ('the Lender'). The amount represents the principal amount and interest accrued but not yet paid.

Presented in the statement of financial position as:

	2025	2024
	AED	AED
Loan from related parties	1,398,587	1,323,780
Due to a related party	10,101,268	10,590,487
	11,499,855	11,914,267

c) Transactions

During the year, the Entity entered into the following transactions with the related parties:

	2025	2024
	AED	AED
Outsourcing costs	2,923,777	2,899,541
Reimbursement of expense	56,219	106,684
Interest on loan (Note 24)	128,313	145,953

The above transactions are covered under transfer pricing compliance at the parent company level for the period from 1 April 2023 to 31 March 2024, in accordance with OECD guidelines. The transfer pricing report for the financial year 1 April 2024 to 31 March 2025 is due by 31 October 2025. Accordingly, any adjustments recommended in the report will be incorporated by the Entity before the corporate tax filing deadline of 31 December 2025.

11 Cash and cash equivalents

	2025	2024
	AED	AED
Cash on hand	13,583	12,184
Bank balances	373,208	197,491
	386,791	209,675

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of United Arab Emirates. None of the balances with banks at the end of the reporting year are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Entity has assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

12 Share capital

	2025	2024
	AED	AED
Authorised, issued and paid up share capital: 1,471 shares of AED 1,000.00 each	<u>1,471,000</u>	<u>1,471,000</u>

Shareholder	Country of incorporation	%	Shares	2025	2024
				AED	AED
Agilus Diagnostics Limited	India	<u>100.00</u>	<u>1,471.00</u>	<u>1,471,000</u>	<u>1,471,000</u>

13 Share premium

	2025	2024
	AED	AED
Balance at the beginning of the year	<u>10,134,387</u>	<u>10,134,387</u>

The above share premium represents an amount received by Agilus Diagnostics FZ LLC, Dubai, United Arab Emirates, on June 7, 2017, in excess of the par value of the shares. Additionally, during the year ended March 31, 2021, the entity received AED 4,894,804 as share premium on the issuance of 965,000 additional shares, increasing the total share capital to AED 1,471,000. The issuance was formally approved by the relevant trade license authority.

14 Reserve

	2025	2024
	AED	AED
Balance at the beginning of the year	<u>84,644,269</u>	<u>84,644,269</u>

The above reserve represents a loan from the related party, Fortis Healthcare international Pte. Ltd., Singapore (previous shareholder), to Agilus Diagnostics FZ LLC, Dubai, United Arab Emirates, which was subsequently reclassified as a reserve in equity following confirmation of its waiver on 4th July 2016. In accordance with IFRS 9, the loan has been derecognized as a financial liability due to the waiver. The amount is treated as a capital contribution and recognized directly in equity as a reserve.

15 Employees' end-of-service benefits

	2025	2024
	AED	AED
Balance at the beginning of the year	247,816	230,740
Charge for the year	-	34,666
Payments during the year	(126,120)	(17,590)
Excess provision written back	<u>(4,151)</u>	-
Balance at the end of the year	<u>117,545</u>	<u>247,816</u>

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

15 Employees' end-of-service benefits (continued)

Amounts required to cover end of service benefits at the statement of financial position date are computed pursuant to the applicable labour law based on the employees' accumulated period of service and current basic remuneration at the end of reporting year.

16 Lease liabilities

Lease liabilities recognized and maturity analysis:

	2025	2024
	AED	AED
<i>Amount due for settlement within 12 months</i>		
Not later than 1 year (shown under current liabilities)	554,792	135,242
<i>Amount due for settlement after 12 months</i>		
Later than 1 year and not later than 5 years	862,556	-
	1,417,348	135,242

The movement in lease liabilities is as follows:

	2025	2024
	AED	AED
As at the beginning of the year	135,242	823,090
Amortization of interest expense during the year (Note 24)	85,195	24,055
Additions during the year (Note 7)	1,856,397	-
Repayment of lease liabilities during the year	(659,486)	(711,903)
As at the end of the year	1,417,348	135,242

17 Trade and other payables

	2025	2024
	AED	AED
Trade payables	1,136,820	1,355,838
Accrued expenses	453,827	321,462
Accrued salaries and benefits	115,994	210,726
VAT payable	40,633	60,518
Advances from customers	30,224	30,040
	1,777,498	1,978,584

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

18 Corporate tax liability

	2025	2024
	AED	AED
Corporate tax liability (Note 25)	<u>10,038</u>	<u>-</u>

The corporate tax liability represents amounts due for corporate tax in accordance with applicable tax laws, calculated based on taxable income for the year.

19 Revenue

	2025	2024
	AED	AED
Disaggregation of revenue – at a point in time		
Diagnostics test fees	<u>8,456,916</u>	<u>8,115,777</u>
	2025	2024
	AED	AED
Primary Geographical Markets		
Within U.A.E.	<u>7,526,961</u>	<u>7,565,071</u>
Outside U.A.E.	<u>929,955</u>	<u>550,706</u>
	<u>8,456,916</u>	<u>8,115,777</u>

20 Direct expenses

	2025	2024
	AED	AED
Cost of tests outsourced*	3,155,335	3,031,916
Staff and related benefits	875,106	926,846
Cost of purchases	421,330	581,781
Changes in inventories of finished goods and WIP	40,083	141,637
Depreciation of property, plant and equipment (Note 6)	38,001	51,896
Other direct expenses**	<u>488,868</u>	<u>576,117</u>
	<u>5,018,723</u>	<u>5,310,193</u>

*The cost of outsourced services refers to the expenses incurred when the centre hires external providers to perform certain medical or operational services instead of doing them in-house.

**Other expenses includes custom clearance charges paid for various imports of equipment, machine etc and also logistics costs related to the transportation, handling, and coordination of medical samples, supplies, and reports.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

21	Other income	2025 AED	2024 AED
	Excess provision written back	48,908	-
	Gain on scrap sales	27,400	158
	Interest income	4,481	-
	Exchange rate gain	382	3,002
	Other income	<u>36,753</u>	<u>420</u>
		<u>117,924</u>	<u>3,580</u>
22	Selling and distribution expenses	2025 AED	2024 AED
	Advertising and business promotion expenses	<u>28,691</u>	<u>34,940</u>
23	General and administrative expenses	2025 AED	2024 AED
	Salaries and related benefits	1,174,367	1,267,779
	Depreciation of right-of-use assets (Note 7)	617,740	616,422
	Legal, license and professional expenses	382,693	356,196
	Communication expenses	205,984	188,201
	Insurance expenses	83,047	79,775
	Expected Credit loss (Note 9)	75,461	569,186
	Depreciation of property, plant and equipment (Note 6)	69,293	107,904
	Conveyance expenses	65,828	48,607
	Repairs and maintenance expenses	51,026	40,594
	Utilities expenses	33,016	61,150
	Bank charges	20,498	31,009
	Printing and stationery expenses	11,062	14,392
	Rent expenses	10,800	12,451
	Travelling expenses	7,326	11,237
	Motor vehicle expenses	-	10,080
	Other general and administrative expenses	<u>19,236</u>	<u>23,431</u>
		<u>2,827,377</u>	<u>3,438,414</u>

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

24 Finance cost

	2025	2024
	AED	AED
Interest on related party loan (Note 10)	128,313	145,953
Interest expense on lease liabilities (Note 7)	85,195	24,055
	213,508	170,008

25 Corporate taxes relating to continuing operations

Corporate tax expense recognised in profit or loss:

	2025	2024
	AED	AED
Current tax		
In respect of the current year	10,038	-

Note:

The United Arab Emirates (UAE) introduced Corporate Tax starting from financial years beginning on or after June 1, 2023. Under the new law, businesses are required to pay 9% tax on taxable income above AED 375,000.

For the year ended March 31, 2025, the Entity falls within the scope of UAE Corporate Tax. Based on an assessment carried out by the Entity's external tax advisors, a corporate tax liability has been recognized at a flat rate of 9% on taxable profits, in accordance with the applicable legislation and guidance issued by the Federal Tax Authority (FTA) as of the reporting date.

26 Financial instruments and risk management

Material accounting policies

Details of material policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 4 to the financial statements.

Categories of financial instruments

31 March 2025

	Financial assets	Financial liabilities
	Amortised cost	Amortised cost
	AED	AED
Trade and other receivables (Note 9)	6,333,813	-
Cash and cash equivalents (Note 11)	386,791	-
Due to a related party (Note 10)	-	10,101,268
Loan from related parties (Note 10)	-	1,398,587
Lease liabilities (Note 16)	-	1,417,348
Trade and other payables (Note 17)	-	1,706,641
	6,720,604	14,623,844

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

26 Financial instruments and risk management (continued)

31 March 2024

	Financial assets	Financial liabilities
	Amortised cost	Amortised cost
	AED	AED
Trade and other receivables (Note 9)	6,613,304	-
Cash and cash equivalents (Note 11)	209,675	-
Due to a related party (Note 10)	-	10,590,487
Loans from related parties (Note 10)	-	1,323,780
Lease liabilities (Note 16)	-	135,242
Trade and other payables (Note 17)	-	1,888,026
	6,822,979	13,937,535

Fair value measurements

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Entity takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Financial risk management objectives

The Entity's financial risk management policies set out the Entity's overall business strategies and risk management philosophy. The Entity's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Entity. The management carries out overall financial risk management covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk and investing excess cash.

The Entity's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

The Entity does not hold or issue derivative financial instruments for speculative purposes.

Interest risk

As at the reporting date, there is no significant interest rate risk as there are no borrowings at floating interest rates as at year end.

Market risk

The Entity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

26 Financial instruments and risk management (continued)

Foreign currency risk

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in United Arab Emirates Dirham or United States Dollars.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Entity. As at 31 March 2025, the Entity's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Entity due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Entity arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Entity has tasked its management to develop and maintain the Entity's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, management uses other publicly available financial information and the Entity's own trading records to rate its major customers and other debtors. The Entity's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Entity's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the financial assets and financial liabilities at the reporting date based on contractual repayment arrangements was as follows:

Particulars	Interest bearing			Total
	On demand or less than 3 months	Within 1 year	More than 1 year	
As at 31 March 2025				
Financial liabilities				
Loans from related parties	-	-	1,339,741	1,339,741
Lease liabilities	-	554,792	862,556	1,417,348
	-	554,792	2,202,297	2,757,089

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

26 Financial instruments and risk management (continued)

Non-interest bearing				
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	Total
As at 31 March 2025				
Financial assets				
Trade and other receivables	-	6,333,813	-	6,333,813
Cash and cash equivalents	386,791	-	-	386,791
	386,791	6,333,813	-	6,720,604
Financial liabilities				
Trade and other payables	-	1,706,641	-	1,706,641
Due to a related party	-	10,101,268	-	10,101,268
Loans from related parties	-	-	58,846	58,846
	-	11,807,909	58,846	11,866,755
Interest bearing				
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	Total
As at 31 March 2024				
Financial liabilities				
Loans from related parties	-	-	1,264,934	1,264,934
Lease liabilities	-	135,242	-	135,242
	-	135,242	1,264,934	1,400,176

Agilus Diagnostics FZ LLC
Dubai Healthcare City
Dubai - United Arab Emirates
Notes to the Financial Statements for the year ended 31 March 2025

26 Financial instruments and risk management (continued)

Particulars	Non-interest bearing			Total
	On demand or less than 3 months	Within 1 year	More than 1 year	
As at 31 March 2024				
Financial assets				
Trade and other receivables	-	6,613,304	-	6,613,304
Cash and cash equivalents	209,675	-	-	209,675
	209,675	6,613,304	-	6,822,979
Financial liabilities				
Trade and other payables	-	1,888,026	-	1,888,026
Due to a related party	-	10,590,487	-	10,590,487
Loans from related parties	-	-	58,846	58,846
	-	12,478,513	58,846	12,537,359

Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance and complying with statutory requirements.

27 Contingent liabilities and capital commitments

Except for ongoing business obligations which are under normal course of business, there has been no other known contingent liabilities and capital commitments on Entity's financial statements as of reporting date.

28 Events after the reporting period

There are no significant events after the reporting period, which affect the financial statements or disclosures.