

UNIQUE PHARMACEUTICAL LABORATORIES FZE

**SEPARATE FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2026**

UNIQUE PHARMACEUTICAL LABORATORIES FZE

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INDEPENDENT AUDITOR'S REPORT**To the Shareholder of UNIQUE PHARMACEUTICAL LABORATORIES FZE****Report on the Audit of the Separate Financial Statements*****Opinion***

We have audited the separate financial statements of **UNIQUE PHARMACEUTICAL LABORATORIES FZE** (the "Establishment"), which comprise the separate statement of financial position as at 31 March 2026, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Establishment as at 31 March 2026, and of 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 Separate Financial Statements* section of our report. We are independent of the Establishment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates (UAE), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 2(c) to the separate financial statements, which states that the Establishment incurred a loss of AED 1,968,691 for the year ended 31 March 2026, and as at that date the Establishment's losses aggregated to AED 8,935,415, and its current liabilities exceeded its current assets by AED 2,393,033. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Establishment's ability to continue as a going concern.

However, the shareholder has agreed to continue with the operations of the Establishment and has agreed to provide continuing financial support to enable the Establishment to discharge its liabilities as and when they fall due. Accordingly, these separate financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT

(continued)

Emphasis of matter

We draw attention to note 2(a) which states that these financial statements are the separate financial statements of the Establishment prepared for the purpose of reporting to the management. The consolidated financial statements of the Establishment and its subsidiaries, which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Financial Statements, are presented separately.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Establishment'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 Establishment or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Establishment's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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.

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INDEPENDENT AUDITOR'S REPORT

(continued)

- 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 Establishment's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment'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 separate 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 Establishment to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

For PKF – Chartered Accountants (Dubai Br)

**Ashish Tulsan**

Partner

Registration no. 5466

Dubai

United Arab Emirates

27 APR 2026

UNIQUE PHARMACEUTICAL LABORATORIES FZE

SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Notes	2026 AED	2025 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	32,971	322,348
Investments	7	50,248,453	50,248,453
		<u>50,281,424</u>	<u>50,570,801</u>
Current assets			
Trade and other receivables	8	2,282,285	415,893
Other current assets	9	156,061	137,390
Due from a related party	10	447,451	782,496
Cash and cash equivalents	11	364,501	1,466,484
		<u>3,250,298</u>	<u>2,802,263</u>
Total assets		<u>53,531,722</u>	<u>53,373,064</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	54,135,000	54,135,000
Share premium		2,092,500	2,092,500
Accumulated losses		(8,935,415)	(6,966,724)
		<u>47,292,085</u>	<u>49,260,776</u>
Non-current liability			
Provision for staff end-of-service benefits	14	596,306	468,987
Current liabilities			
Trade and other payables	15	2,843,144	1,649,306
Other current liabilities	16	176,742	193,115
Lease liabilities	13	–	193,528
Due to a related party	10	2,623,445	1,607,352
		<u>5,643,331</u>	<u>3,643,301</u>
Total liabilities		<u>6,239,637</u>	<u>4,112,288</u>
Total equity and liabilities		<u>53,531,722</u>	<u>53,373,064</u>

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

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

Approved and authorised for issue by the shareholder and signed on their behalf by Mr. Kaushal Singh Solanki on **27 APR 2026**

For UNIQUE PHARMACEUTICAL LABORATORIES FZE



KAUSHAL SINGH SOLANKI
DIRECTOR



UNIQUE PHARMACEUTICAL LABORATORIES FZE

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 AED	2025 AED
Revenue	18	2,066,047	627,639
Purchase of inventories		(1,756,021)	(533,383)
Other operating income	19	3,161,925	2,703,119
Staff costs	20	(4,313,311)	(3,401,904)
Depreciation on property, plant and equipment	6	(289,377)	(292,387)
Other operating expenses	21	(872,993)	(1,058,563)
Interest income	8	42,471	--
Finance costs on lease liabilities	13	(7,432)	(22,540)
LOSS FOR THE YEAR BEFORE TAX		(1,968,691)	(1,978,019)
Income tax expense	23	--	--
LOSS FOR THE YEAR AFTER TAX		(1,968,691)	(1,978,019)
Other comprehensive income:			
Other comprehensive income for the year, net of tax		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,968,691)	(1,978,019)

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Share capital AED	Share premium ^(a) AED	Accumulated losses AED	Total AED
Balance at 1 April 2024	54,135,000	2,092,500	(4,988,705)	51,238,795
Total comprehensive income for the year	--	--	(1,978,019)	(1,978,019)
Balance at 31 March 2025	54,135,000	2,092,500	(6,966,724)	49,260,776
Total comprehensive income for the year	--	--	(1,968,691)	(1,968,691)
Balance at 31 March 2026	<u>54,135,000</u>	<u>2,092,500</u>	<u>(8,935,415)</u>	<u>47,292,085</u>

- (a) Pursuant to shareholder resolution dated 17 October 2024, the share capital of the Establishment was increased through the issuance of 2,250,000 new shares of AED 1 each at a premium of AED 0.93 per share.

The accompanying notes form an integral part of these separate financial statements
The report of the independent auditor is set forth on pages 1 to 3.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
Loss for the year before tax	(1,968,691)	(1,978,019)
Adjustments for:		
Depreciation of property, plant and equipment	289,377	292,387
Finance costs	7,432	22,540
Provision for staff end-of-service benefits	128,369	121,128
Employee stock option benefits	1,000,544	617,371
Interest income	(42,471)	--
	<u>(585,440)</u>	<u>(924,593)</u>
Changes in:		
- Trade and other receivables	(1,823,921)	(31,212)
- Other current assets	(18,671)	(1,437)
- Trade and other payables	1,193,838	534,634
- Other current liabilities	(16,373)	97,894
Staff end-of service benefits paid	(1,050)	--
Net cash used in operating activities	<u>(1,251,617)</u>	<u>(324,714)</u>
Cash flow from investing activity		
Receipts from/ (payments to) a related party (net)	335,045	(608,848)
Net cash from/ (used in) investing activity	<u>335,045</u>	<u>(608,848)</u>
Cash flows from financing activities		
Payments of lease liabilities	(200,960)	(194,680)
Receipts from/ (payments to) a related party (net)	15,549	(20,983)
Net cash used in financing activities	<u>(185,411)</u>	<u>(215,663)</u>
Net decrease in cash and cash equivalents	(1,101,983)	(1,149,225)
Cash and cash equivalents at beginning of year	1,466,484	2,615,709
Cash and cash equivalents at end of year (note 11)	<u>364,501</u>	<u>1,466,484</u>

The accompanying notes form an integral part of these separate financial statements.
The report of the independent auditor is set forth on pages 1 to 3.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. REPORTING ENTITY

- a) **UNIQUE PHARMACEUTICAL LABORATORIES FZE** (the “Establishment”) is a free zone establishment with limited liability incorporated in Dubai, United Arab Emirates in accordance with the Implementing Regulation No. 1/92 issued pursuant to Law No. 9 of 1992 (repealed by Jebel Ali Free Zone Companies Implementing Regulations 2016). The registered office is Office No 1116, Business Centres World Building, 11th Floor, JAFZA One, Jebel Ali Free Zone, P.O Box: 262327, Dubai, United Arab Emirates. The Establishment was registered on 10 December 2013 and commenced operations from 1 April 2014.
- b) The Establishment’s business activity as per the trade license issued by Jebel Ali Free Zone Authority is medicines trading. However, the Establishment has also earned service income from marketing support provided to related parties on a cost-plus markup basis (note 19).
- c) These separate financial statements include the assets and liabilities and the operating results of the Establishment under commercial license number 140135 and of the following branch:

Branch Name	Date of incorporation	Activity	License no.
Unique Pharmaceutical Laboratories FZE	28 July 2023	Representative office Pharmaceutical	1333 issued by Dubai Healthcare City (DHCC)

- d) The parent company is J.B. Chemicals and Pharmaceutical Limited, a public limited company registered in India. During the year, there was a change in the shareholding of the parent company, resulting in a change in the ultimate parent company from Tau Investment Holdings PTE. LTD. to Torrent Investments Pvt. Ltd., a company registered in India.

2. BASIS OF PREPARATION

a) Statement of compliance

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

These financial statements are the separate financial statements of the Establishment presented only for the purpose of reporting to the management. These separate financial statements reflect the operating results and the financial position of the Establishment only and do not include the operating results and financial positions of its subsidiaries. The consolidated financial statements of the Establishment and its subsidiaries (collectively referred to as the “Group”), which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Financial Statements, are presented separately.

b) Basis of measurement

The separate financial statements are prepared using historical cost.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

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.

c) **Going concern**

The separate financial statements are prepared on a going concern basis.

When preparing the separate financial statements, management makes an assessment of the Establishment's ability to continue as a going concern. Separate financial statements are prepared on a going concern basis unless management either intends to liquidate the Establishment or to cease operations, or has no realistic alternative but to do so.

The Establishment incurred a loss of AED 1,968,691 for the year ended 31 March 2026 and at that date, the Establishment's losses aggregated to AED 8,935,415 and its current liabilities exceeded its current assets by AED 2,393,033.

These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Establishment's ability to continue as a going concern. However, the shareholder has agreed to continue with the operations of the Establishment and has agreed to provide continuing financial support to enable the Establishment to discharge its liabilities as and when they fall due. Accordingly, these separate financial statements have been prepared on a going concern basis.

d) **Adoption of new standards**

Standards, amendments, improvements and interpretations effective for the current period

The following amendments which became effective for current period, did not have any significant impact on the Establishment's separate financial statements:

- Amendments to IAS 21 – Lack of Exchangeability

New and revised standards in issue but not yet effective and not early adopted

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



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 January 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 January 2026)
- Annual Improvements to IFRS Accounting Standards—Volume 11 (1 January 2026)
- IFRS 18 Presentation and Disclosures in financial statements (1 January 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (1 January 2027)

e) **Functional and presentation currency**

The separate financial statements are presented in UAE Dirham (“AED”) which is also the Establishment’s functional currency.

3. **MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted, and which have been consistently applied, are as follows:

a) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated from the date the asset is available for use until it is derecognised, using the straight-line method over the estimated useful lives of the assets as follows:

Right-of-use assets	3 years
Leasehold improvements	2-3 years
Furniture, fixtures and office equipment	2-4 years

The Establishment has presented right-of-use assets representing the right to use the underlying assets under property, plant and equipment [refer notes 3 (g) and 6].

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 expenditure will flow to the Establishment and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Establishment recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

An assessment of depreciation method, useful lives and residual values is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'other operating income/expenses' in profit or loss.

b) Investment in subsidiaries

Subsidiaries are entities over which the Establishment exercises control. Control is achieved when the Establishment is exposed, or has rights, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The investment in subsidiaries is accounted for at cost less impairment losses, if any. The consolidated financial statements of the Establishment and its subsidiaries are presented separately.

c) Staff benefits

The Establishment provides staff end-of-service benefits to its non-UAE national employees as per the applicable local laws, the entitlement to these benefits is based on upon the employees' last drawn basic salary and length of services which is accrued over the period of employment. Provision for staff end of services benefits are disclosed as non-current liability.

Provision is also made for employees' entitlement to annual leave and air ticket for eligible employees as per the policy of the Establishment. Provision relating to annual leave and air ticket is disclosed as current liability as employees are entitled to redeem these benefits at any point of time after the reporting period.

d) Revenue recognition

The Establishment is in the business of trading in medicines.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Establishment expects to be entitled in exchange for those goods or services.

The Establishment recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contracts with customers: 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.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Establishment will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Establishment satisfies a performance obligation at a point in time or over time.

The Establishment satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Establishment's performance as the Establishment performs; or
- The Establishment's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Establishment's performance does not create an asset with an alternative use to the Establishment and the Establishment has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. The Establishment is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of goods

The Establishment has concluded that revenue from sale of goods should be recognised at a point in time when the control of the asset is transferred to the customer, generally on delivery of the goods.

High sea sales

Sales are on high sea sales, i.e. the supplier ships goods directly to the customers. Revenue is recognised net of rebates/discounts/claims when control of goods is transferred i.e. generally, when the bill of lading is endorsed to the customer and the Establishment has enforceable rights to receive the consideration for transfer of goods.

e) **Marketing support services**

The Establishment provides services for marketing support to its parent. Marketing income is recognised when services are provided in accordance with the relevant service arrangements in the period which services are rendered.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

f) **Interest income**

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

g) **Leases**

The Establishment leases its office premises and staff accommodation. Rental contract is typically made for fixed periods of 1 to 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 arrangements do not impose any covenants, however leased assets may not be used as security for borrowing purposes.

Right-of-use assets

The Establishment recognises right-of-use assets at the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any reimbursement of lease liabilities. The cost of right-of-use assets includes:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial costs; and
- restoration costs.

Unless the Establishment is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

The Establishment recognises lease liabilities at the commencement date of the lease. The lease liabilities are measured at the net present value of lease payments to be made over the lease term. The lease payments include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Establishment; and
- payments of penalties for terminating the lease, if the lease term reflects the Establishment exercising the option to terminate.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Establishment uses its incremental borrowing rate as the discount rate in calculating the present value of lease payments and uses the incremental borrowing rate at the commencement date of the lease if the profit rate implicit in the lease is not readily determinable. Further, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance lease payments or a change in the assessment to purchase the underlying asset.

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.

Short-term leases

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

h) **Cash and cash equivalents**

Cash and cash equivalents comprise of bank current accounts.

i) **Foreign currency transactions**

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

j) **Provisions**

A provision is recognised when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

k) **Contingencies and commitments**

Contingent liabilities are not recognised in the separate financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the separate financial statements but disclosed when an inflow of economic benefits is probable.

l) **Income and deferred tax**

Tax expense for the year comprises of current income tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the federal tax authorities on the taxable profits after tax disallowances, exemptions and reliefs after applying the applicable tax rates. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for non-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the separate financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

m) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017 and its amendments, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person.



UNIQUE PHARMACEUTICAL LABORATORIES FZE

NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Establishment pays Value Added Tax (VAT) on every taxable supply and deemed supply, in accordance with the applicable commercial VAT laws. Non-recoverable input VAT is charged to the relevant expenditure category or included in costs of non-current assets. The Establishment files its VAT returns and computes the payable tax (which is output tax less input tax) for the allotted tax periods and deposits the same within the prescribed due dates of filing VAT return and tax payment. VAT receivable and VAT payable are offset and the net amount is reported in the separate statement of financial position as the Establishment has a legally enforceable right to offset the recognised amounts and has the intention to settle the same on net basis.

n) **Current versus non-current classification**

The Establishment presents assets and liabilities in the separate statement of financial position based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- The Establishment does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

o) **Financial instruments**

Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; debt investment at fair value through other comprehensive income, equity investment at fair value through other comprehensive income; or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial assets' contractual cash flow characteristics and the Establishment's business model for managing them.



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In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are “solely payments of principal and interest” on the principal amount outstanding. This assessment is performed at an instrumental level.

The Establishment’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cashflows, selling the financial assets, or both.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or at amortised cost. The Establishment determines the classification of its financial liabilities at initial recognition.

Recognition

Financial assets and financial liabilities are recognised when, and only when, the Establishment becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Establishment commits to purchase or sell the asset.

Derecognition

Financial assets are de-recognised when, and only when,

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

Financial liabilities are de-recognised when, and only when, they are extinguished i.e., when obligation specified in the contract is discharged, cancelled or expired.

Measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



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The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

Financial assets

Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method. All other financial assets are subsequently measured at fair value.

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding

Interest income, foreign exchange gains and losses, and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The financial assets at amortised cost comprise of trade and other receivables, due from a related party and cash and cash equivalents.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities at amortised cost comprise of lease liabilities, due to a related party and trade and other payables.

Impairment of financial assets

The Establishment recognised an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Establishment expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loss allowances are measured on either of the following basis:

- 12-month expected credit losses: expected credit losses that result from possible default events within 12 months after the reporting date; and
- Lifetime expected credit losses: expected credit losses that result from all possible default events over the expected life of a financial instrument.



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The Establishment measures loss allowance at an amount equal to lifetime expected credit losses, except for the following which are measured as 12-month expected credit losses:

- Bank balances, due from a related party and other receivables for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Establishment has elected to measure loss allowances for trade receivables at an amount equal to lifetime expected credit losses. The Establishment applies a simplified approach in calculating expected credit losses. The Establishment does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Establishment has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Establishment considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Establishment's historical experience and informed credit assessment and including forward looking information.

The Establishment assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Establishment considers a financial asset to be in default when:

- The customer is unlikely to pay its credit obligations to the Establishment in full, without recourse by the Establishment to actions such as realising security (if any is held); or
- The financial asset is more than 360 days past due.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Establishment is exposed to credit risk.

At each reporting date, the Establishment assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Offsetting

Financial assets and liabilities are offset and the net amount reported in the separate 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.

Equity

Share capital is recorded at the value of proceeds received towards interest in share capital of the Establishment.

p) Fair value measurement

The Establishment discloses the fair value of financial instruments measured at amortised cost.

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

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

q) Events after the reporting period

If the Establishment receives information after the reporting period, but prior to the date of authorisation for issue of the separate financial statements, about conditions that existed at the end of the reporting period, it assesses whether the information affects the amounts that it recognises in its separate financial statements. The Establishment adjust the amounts recognised in its separate financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Establishment do not change the amounts recognised in its separate financial statements, but disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

4. JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES

Following are the judgments made in applying accounting policies that affect the application of the Establishment's accounting policies and the amounts recognised in the separate financial statements:



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Establishment's business model for managing them.

Impairment

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

The Establishment applies expected credit loss model to measure loss allowance in case of financial assets on the basis of 12-month expected credit losses or lifetime expected credit losses depending on credit risk characteristics and how changes in economic factors affect expected credit losses, which are determined on a probability-weighted basis.

Leases

Determining the lease term

The Establishment determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Establishment has the option, under some of its leases to lease the assets for additional years. The Establishment applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is the Establishment considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Establishment reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate.

Discounting of lease payments

The lease payments are discounted using the Establishment's incremental borrowing rate ("IBR"), which is 8.41%, due to the absence of implicit rates in the lease contracts.

Management has applied judgments and estimates to determine the IBR at the transition date, using borrowing rates that certain financial institutions would charge the Establishment against financing the different types of assets it leases over different terms and different ranges of values. IBR is further adjusted for Establishment's specific risk, term risk and underlying asset risk. Majority of the leases are present in the UAE and accordingly no adjustment for the economic environment was deemed required.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Following are the key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Establishment's risk management. Revisions to estimates are recognised prospectively.

Carrying values of property, plant and equipment

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Impairment

Assessments of net recoverable amounts of property, plant and equipment are based on assumptions regarding future cash flows expected to be received from the related assets.

Impairment of financial assets

The loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the 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 note 3 (o).

Income tax

Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements, at the tax rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Establishment considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Staff end-of-service benefits

The Establishment computes the provision for the liability to staff end-of-service benefits stated at AED 596,306 (previous year AED 468,987), assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

Going concern assessment

As at the reporting date, the Establishment has accumulated losses of AED 8,935,415, and its current liabilities exceeded its current assets by AED 2,393,033. Notwithstanding these facts, the separate financial statements of the Establishment have been prepared on a going concern basis as the management of the Establishment believes that the future operations of the Establishment will generate sufficient profits and cashflows.

6. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets ^(a)	Leasehold improvements	Furniture, fixtures and office equipment	Total
	AED	AED	AED	AED
Cost				
At 1 April 2024, 31 March 2025 and 31 March 2026	<u>504,676</u>	<u>288,200</u>	<u>24,834</u>	<u>817,710</u>
Accumulated depreciation				
At 1 April 2024	152,416	46,469	4,090	202,975
Depreciation	168,072	115,170	9,145	292,387
At 31 March 2025	320,488	161,639	13,235	495,362
Depreciation	168,072	115,170	6,135	289,377
At 31 March 2026	<u>488,560</u>	<u>276,809</u>	<u>19,370</u>	<u>784,739</u>
Carrying amount				
At 1 April 2024	352,260	241,731	20,744	614,735
At 31 March 2025	184,188	126,561	11,599	322,348
At 31 March 2026	<u>16,116</u>	<u>11,391</u>	<u>5,464</u>	<u>32,971</u>

- (a) This represents the right to use of the office premises on lease [refer note 3(g)]. The lease period being 3 years ending on 4 May 2026 with the renewal option.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
7. INVESTMENTS		
Investments in subsidiaries		
Interest in share capital at cost in:		
4,701,492 shares of Rand (R) 0.001 each in Biotech Laboratories (PTY) LTD	49,444,453	49,444,453
11,999,997 shares of Peso (₱) 1 each in JBCPL Philippines Inc.	804,000	804,000
	<u>50,248,453</u>	<u>50,248,453</u>

(a) The nature of investments in subsidiaries held by the Establishment is as follows:

Name of subsidiaries	Principal activity	Country of incorporation	Registered proportion (%) of ownership interest		Beneficial ownership (%)	
			2026	2025	2026	2025
Biotech Laboratories (PTY) LTD	Trading of pharmaceutical products	Republic of South Africa	100	100	100	100
JBCPL Philippines Inc. ^(b)	Wholesale trading of pharmaceutical products and formulations.	Republic of Philippines	99.99	99.99	100	100

(b) The share capital of this subsidiary to the extent of 0.01% is registered in the name of directors. The shares are held by them in trust for and on behalf of the Establishment. Accordingly, this entity is considered to be 100% subsidiary of the Establishment.

	2026 AED	2025 AED
8. TRADE AND OTHER RECEIVABLES		
Trade receivables	1,737,555	38,190
Deposits	63,034	57,294
Staff advance	439,225	320,409
Accrued interest on due from a related party ^(c)	42,471	--
	<u>2,282,285</u>	<u>415,893</u>

a) An age analysis of trade receivables as at the reporting date is as follows:

0 to 3 months	<u>1,737,555</u>	<u>38,190</u>
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b) The Establishment does not hold any collateral against trade receivables (previous year AED Nil).

c) This represents interest income of AED 42,471 (previous year AED Nil) on the balance receivable from the subsidiary, JBCPL Philippines Inc., calculated at 6.05% per annum.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
9. OTHER CURRENT ASSETS		
Prepayments	101,723	109,728
Advance for services	--	1,500
VAT receivables	54,338	26,162
	156,061	137,390

10. RELATED PARTIES

The Establishment enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and are at prices determined by the management.

Related parties comprise the parent company, subsidiaries and the key management personnel.

At the reporting date, significant balances with related parties were as follows:

	Parent company AED	Subsidiaries AED	Key management personnel AED	Total 2026 AED	Total 2025 AED
Investment in subsidiaries (note 7)	--	50,248,453	--	50,248,453	
	--	50,248,453	--		50,248,453
Included in trade and other receivables (note 8)	--	42,471	439,225	481,696	
	--	--	320,409		320,409
Due from a related party	--	447,451	--	447,451	
	--	782,496	--		782,496
Due to a related party	2,623,445	--	--	2,623,445	
	1,607,352	--	--		1,607,352
Included in trade payables (note 15)	1,756,021	--	--	1,756,021	
	533,383	--	--		533,383
Provision for staff end-of-service benefits	--	--	536,133	536,133	
	--	--	439,226		439,226
Employee related payables	--	--	116,248	116,248	
	--	--	138,157		138,157

Transactions with related parties are approved by the management. Amounts due from a related party relates to transactions arising in the normal course of business with minimal credit risk. For the year ended 31 March 2026, the Establishment has not recorded any allowance for expected credit losses of the amounts owed by the related party (previous year AED Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 22.

Significant transactions with related parties during the year were as follows:



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	Parent company	Subsidiaries	Key management personnel	Total 2026	Total 2025
	AED	AED	AED	AED	AED
Other operating income (note 19)	3,119,585	--	--	3,119,585	
	2,695,085	--	--		2,695,085
Purchase of inventories	1,756,021	--	--	1,756,021	
	533,383	--	--		533,383
Staff salaries and benefits	--	--	3,134,963	3,134,963	
	--	--	2,487,292		2,487,292
Recharge of staff benefits [note 20 (a)]	1,000,544	--	--	1,000,544	
	617,371	--	--		617,371
Interest income [note 8 (c)]	--	42,471	--	42,471	
	--	--	--		--

The Establishment also provides funds to /receives funds from related parties as working capital facilities, at terms mutually agreed.

	2026 AED	2025 AED
11. CASH AND CASH EQUIVALENTS		
Bank balances in current accounts	<u>364,501</u>	<u>1,466,484</u>

Balances with banks are assessed to have low credit risk of default since these are highly regulated by the Central Bank in UAE. Accordingly, management of the Establishment estimates the loss allowance on balances with banks at the end of the reporting year at an amount equal to 12-month ECL. 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 banks, the management have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

12. SHARE CAPITAL		
Issued and paid up:		
54,135,000 shares of AED 1 each held by J.B. Chemicals & Pharmaceutical Limited, India	<u>54,135,000</u>	<u>54,135,000</u>
13. LEASE LIABILITIES		
Lease liabilities for long-term leases of office premises	<u>--</u>	<u>193,528</u>
Disclosed in the separate statement of financial position as follows:		
Current liabilities	<u>--</u>	<u>193,528</u>



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A reconciliation of the movements in the lease liabilities is as follows:

	2026 AED	2025 AED
Opening balance	193,528	365,668
Finance costs on lease liabilities	7,432	22,540
Payments made during the year	<u>(200,960)</u>	<u>(194,680)</u>
Closing balance	<u> --</u>	<u>193,528</u>

A maturity analysis of undiscounted lease liabilities is as follows:

1 – 3 months	--	61,230
3 months – 1 year	--	139,730
Total	<u> --</u>	<u>200,960</u>

Reconciliation of undiscounted lease liabilities to the lease liabilities as stated in the separate statement of financial position is as follows:

Lease payments due	--	200,960
Less: Finance cost on lease	--	(7,432)
Disclosed in the separate statement of financial position	<u> --</u>	<u>193,528</u>

14. PROVISION FOR STAFF END-OF-SERVICE BENEFITS

Opening balance	468,987	347,859
Provision for the year	128,369	121,128
Paid during the year	<u>(1,050)</u>	<u> --</u>
Closing balance	<u>596,306</u>	<u>468,987</u>

15. TRADE AND OTHER PAYABLES

Trade payables	1,756,021	533,383
Accruals for commission	1,032,182	1,032,182
Other accruals	19,000	30,000
Other payables	<u>35,941</u>	<u>53,741</u>
	<u>2,843,144</u>	<u>1,649,306</u>

The entire trade and other payables are due for payment within one year from the reporting date.

16. OTHER CURRENT LIABILITIES

Employee related payables	<u>176,742</u>	<u>193,115</u>
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

17. MANAGEMENT OF CAPITAL

The Establishment's objectives when managing capital are to ensure that the Establishment continues as a going concern and to provide the shareholder with a rate of return on their investment commensurate with the level of risk assumed.

Capital, which is unchanged from the previous year, comprises equity funds as presented in the separate statement of financial position together with due from/to a related party. Debt comprises total amounts owed by the Establishment, net of cash and cash equivalents.

The Establishment is not subject to externally imposed capital requirements.

Funds generated from internal accruals together with received from related party net of funds provided to a related party, are retained in the business and according to the business requirements and maintain capital at desired levels.

18. REVENUE

The Establishment generates revenue from the transfer of goods at a point in time. The disaggregated revenue from contracts with customers by geographical segments, type of goods and time of revenue recognition is presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Establishment's revenue and cash flows.

	2026 AED	2025 AED
Primary geographical segments		
- United Arab Emirates	2,066,047	294,791
- United States of America ^(a)	--	332,848
	<u>2,066,047</u>	<u>627,639</u>

- (a) These are invoiced to the customer in United States of America and shipped on their behalf in the United Arab Emirates to the ultimate recipient customer.

Major goods		
<i>Trading</i>		
- Medicines	<u>2,066,047</u>	<u>627,639</u>
Timing of revenue recognition		
- At a point in time	<u>2,066,047</u>	<u>627,639</u>

19. OTHER OPERATING INCOME

Foreign exchange gains (net)	42,340	8,034
Income from marketing support services	<u>3,119,585</u>	<u>2,695,085</u>
	<u>3,161,925</u>	<u>2,703,119</u>



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	2026 AED	2025 AED
20. STAFF COSTS		
Staff salaries and benefits ^(a)	4,184,942	3,280,776
Staff end-of-service benefits	128,369	121,128
	<u>4,313,311</u>	<u>3,401,904</u>

- a) This includes AED 1,000,544 (previous year AED 617,371) of staff benefits recharged towards Employee Stock Option Plan (ESOP) granted to employees of the Establishment by the parent company. However, pursuant to the change in shareholding of the parent company, the employees have surrendered their ESOPs and received cash compensation in lieu thereof.

21. OTHER OPERATING EXPENSES		
Short-term lease expenses	54,417	55,993
Product registration expenses	56,805	337,551
Travelling expenses	253,681	318,548
Distribution commission	134,454	--
Product listing fee	93,800	--
Other expenses	279,836	346,471
	<u>872,993</u>	<u>1,058,563</u>

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Classification and fair values

The net carrying amounts as at the reporting date of financial assets and financial liabilities are as follows:

	At amortised cost	
	2026 AED	2025 AED
Financial assets		
Trade and other receivables	2,282,285	415,893
Due from a related party	447,451	782,496
Cash and cash equivalents	364,501	1,466,484
	<u>3,094,237</u>	<u>2,664,873</u>
Financial liabilities		
Lease liabilities	--	193,528
Trade and other payables	2,843,144	1,649,306
Due to a related party	2,623,445	1,607,352
	<u>5,466,589</u>	<u>3,450,186</u>

Fair value measurement and disclosures

The management assesses the fair values of all its financial assets and financial liabilities at each reporting date.



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The fair values of cash and cash equivalents, trade and other receivables, due from a related party, lease liabilities, due to a related party and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial risk management

Risk management objectives

Risk is inherent in the Establishment's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Establishment's continuing profitability. The Establishment's risk management focusses on actively securing short to medium term cash flows by minimizing the exposure to financial markets.

The primary risks to which the business is exposed, which are unchanged from the previous period, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

The management of the Establishment reviews and agrees policies for managing each of these risks which are summarised below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Financial assets that potentially expose the Establishment to concentrations of credit risk comprise principally bank balances, due from a related party and trade and other receivables.

The Establishment's bank accounts are placed with high credit quality financial institutions and hence have low credit risk.

At the reporting date, there is no exposure to credit risk from such receivables situated outside UAE (previous year AED Nil).

At the reporting date, 92% of trade receivables was due from two customers (previous year 100% due from one customer).

At the reporting date 100% of amount due from a related party is due from one related party (previous year 100% due from one related party) located in the Philippines.



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The Establishment uses an allowance matrix to measure the expected credit losses of trade receivables, which comprise a number of balances. Loss rates are calculated using a 'flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Flow rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

Based on the assessment, the management believes that no impairment provision is required under IFRS 9.

Liquidity risk

Liquidity risk is the risk that the Establishment may encounter difficulty in meeting financial obligations due to shortage of funds. The Establishment's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Establishment's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Establishment's reputation. The Establishment manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Establishment limits its liquidity risk by ensuring adequate arrangements with related parties.

The table below summarises the maturities of the Establishment's undiscounted financial liabilities at the reporting date, based on contractual payment dates and current market interest rates.

	Less than one year	
	2026	2025
	AED	AED
Trade and other payables	2,843,144	1,649,306
Due to a related party	2,623,445	1,607,352
Lease liabilities	--	200,960

Market risk

Market risk is the risk that the changes in market prices, such as foreign currency exchange rates, interest rates and prices, will affect the Establishment's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.

Currency risk

Currency risk is the risk that the values of financial instruments will fluctuate because of changes in foreign exchange rates.



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There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed except for the following:

	2026 AED	2025 AED
Due to a related party		
Indian Rupee (INR)	<u>416,807</u>	<u>461,619</u>

Reasonably possible changes to exchange rates at the reporting date are unlikely to have had a significant impact on profit or equity

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates.

Amount due from a related party is subject to floating interest rates at levels generally obtained in the UAE or are linked to SOFR and are therefore exposed to cash flow interest rate risk.

Reasonably possible changes to interest rates at the reporting date are unlikely to have had a significant impact on profit or equity.

23. **CORPORATE TAX**

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the 'CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law is effective for the financial years beginning on or after 1 June 2023.

UAE CT law specifies that a tax rate of 9% will apply to taxable income exceeding AED 375,000 and a rate of 0% will apply to taxable income not exceeding AED 375,000.

During the year, as the Establishment is in loss, no tax expense has been recorded. Furthermore, given the expectation that future taxable profits will not exceed the threshold, no deferred tax asset has been recognized (previous year AED Nil).



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24. SIGNIFICANT EVENTS

The ongoing geopolitical conflict in the West Asia Region have introduced a degree of uncertainty in the Global and regional environment. The United Arab Emirates may experience indirect impacts arising from these developments. The Establishment has assessed the potential implications of the situation on its operations and financial performance as at the reporting date.

Potential risk that may arise include fluctuations in oil prices, disruptions to supply chain, increased transportation/insurance cost which could have an impact on the Establishment's operations in the future periods.

While there is no material direct impact on the Establishment's separate financial statements for the current reporting period, the management continues to closely monitor the situations in the region.

25. SUBSEQUENT EVENTS

Pursuant to the shareholder resolution dated 9 April 2026, the shareholder resolved to issue 2,535,715 new shares with a nominal value of AED 1 each at a premium of AED 1.80 per share. The shareholder has transferred the amount to the Establishment's bank account. As at the date of issuance of these separate financial statements, the approval of the amendment to the Memorandum of Association by the Jebel Ali Free Zone Authority and the issuance of share certificates are in progress.

For UNIQUE PHARMACEUTICAL LABORATORIES FZE



KAUSHAL SINGH SOLANKI
DIRECTOR

