

**RHIZEN PHARMACEUTICALS AG
(DMCC BRANCH)
DUBAI- UNITED ARAB EMIRATES**

**Financial Statements for the
year ended March 31, 2025**

CNK and Associates LLP (Dubai Branch)

Independent Auditor's Report

To the shareholders of Rhizen Pharmaceuticals AG (DMCC Branch)

Report on the audit of financial statements

Opinion

We have audited the financial statements of Rhizen Pharmaceuticals AG (DMCC Branch), which comprise the statement of financial position as at **March 31, 2025** and the statement of profit or loss and other comprehensive income, statement of changes in head office funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Branch in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the Branch's financial statements in the United Arab Emirates, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, as issued by IASB, and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Decree Law No. (32) of 2021, 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.

Independent Auditor's Report

To the shareholders of Rhizen Pharmaceuticals AG (DMCC Branch)

cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of audit in accordance with ISAs, we exercise professional judgements 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 risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 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 Branch'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 Branch to cease to continue as a going concern.

Independent Auditor's Report

To the shareholders of Rhizen Pharmaceuticals AG (DMCC Branch)

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Branch audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

Further as required by the Dubai Multi Commodities Centre (DMCC) Company Regulations 2020, we report that for the year ended March 31, 2025:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The financial statements have been prepared and comply, in all material respects, with the DMCC Company Regulations 2020.
- The Branch has maintained proper books of account.
- Note 12 reflects material related party transactions and the terms under which they were conducted.

CNK and Associates LLP (Dubai Branch)

Independent Auditor's Report

To the shareholders of Rhizen Pharmaceuticals AG (DMCC Branch)

- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Branch has contravened, during the financial year ended March 31, 2025, any of the provisions and regulations of Dubai Multi Commodities Centre (DMCC) Company Regulations 2020 which would materially affect its activities or its financial position as at March 31, 2025.
- No social contributions were made during the year.

For and on behalf of

CNK AND ASSOCIATES LLP DUBAI BRANCH



Akshay Thomas Sam
Partner

Reg. No.: 1313

Date: May 01, 2025

Place: Dubai, UAE



RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

ASSETS	Notes	As at March 31, 2025	As at March 31, 2024
CURRENT ASSETS			
Cash & cash equivalents	4	2,679,308	7,692,973
Due from related party	5	896,571	2,244,907
Deposits and Prepayments	6	187,293	143,764
TOTAL CURRENT ASSETS		3,763,172	10,081,644
TOTAL ASSETS		3,763,172	10,081,644
HEAD OFFICE FUNDS & LIABILITIES			
HEAD OFFICE FUNDS			
Head office account		(20,841,629)	(20,841,629)
Retained earnings		24,596,401	30,915,398
TOTAL HEAD OFFICE FUNDS		3,754,772	10,073,769
CURRENT LIABILITIES			
Accounts & other payable	7	8,400	7,875
TOTAL CURRENT LIABILITIES		8,400	7,875
TOTAL HEAD OFFICE FUNDS & LIABILITIES		3,763,172	10,081,644

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4

FOR
RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)

MANAGER: SUNIL MOTWANI
DATE: MAY 01st, 2025
PLACE: DMCC, DUBAI, UAE

Sunil Motwani




RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

	Notes	2024-25	2023-24
REVENUE	8	-	-
Less: Cost of revenue	9	-	(4,003,923)
GROSS PROFIT/(LOSS)		-	(4,003,923)
Other income			
OPERATING EXPENSES			
Research and Development Expense	10	(4,949,271)	(4,385,593)
General and administrative expenses	11	(1,369,726)	(3,019,055)
TOTAL OPERATING EXPENSES		(6,318,997)	(7,404,648)
NET PROFIT/(LOSS) FOR THE YEAR		(6,318,997)	(11,408,571)

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4

FOR
RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)


MANAGER: SUNIL MOTWANI
DATE: MAY 01st, 2025
PLACE: DMCC, DUBAI, UAE



RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

	2024-25	2023-24
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) for the year	(6,318,997)	(11,408,571)
Adjustment for :	-	-
Depreciation	-	-
Operating cash flow before changes in net operating assets	(6,318,997)	(11,408,571)
<u>(Increase) / Decrease in Current Assets</u>		
Due from related party	1,348,336	12,042,131
Deposits and Prepayments	(43,529)	(43,230)
<u>Increase / (Decrease) in Current Liabilities & Provisions</u>		
Due to related party	-	(7,345,000)
Accounts & other payable	525	(12,228,527)
Net cash flow from/(used in) operating activities	(5,013,665)	(18,983,197)
CASH FLOW FROM INVESTING ACTIVITIES		
Net Change in investments	-	-
Net cash flow (used in) investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Net Change in Head office account	-	-
Net cash flow (used in) financing activities	-	-
Net (decrease) in cash and cash equivalents	(5,013,665)	(18,983,197)
Cash and cash equivalents at beginning of the year	7,692,973	26,676,170
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	2,679,308	7,692,973

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4

FOR
RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)

MANAGER: SUNIL MOTWANI
DATE: MAY 01st, 2025
PLACE: DMCC, DUBAI, UAE




RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

STATEMENT OF HEAD OFFICE FUNDS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

Particulars	Head Office Account	Retained Earnings	Total
Balance as at April 1, 2023	(20,841,629)	42,323,969	21,482,340
Additions	-	-	-
Transfer/Payments	-	-	-
Net Profit /(Loss) for the year	-	(11,408,571)	(11,408,571)
Distribution	-	-	-
Balance as at March 31, 2024	(20,841,629)	30,915,398	10,073,769
Balance as at April 1, 2024	(20,841,629)	30,915,398	10,073,769
Additions	-	-	-
Transfer/Payments	-	-	-
Net Profit /(Loss) for the year	-	(6,318,997)	(6,318,997)
Distribution	-	-	-
Balance as at March 31, 2025	(20,841,629)	24,596,401	3,754,772

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4

FOR
RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)


MANAGER: SUNIL MOTWANI
DATE: MAY 01st, 2025
PLACE: DMCC, DUBAI, UAE



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

1 STATUS AND ACTIVITIES

RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)

Rhizen Pharmaceuticals AG (DMCC Branch), is a Local Branch of Rhizen Pharmaceuticals AG, a Foreign Company. The branch is registered with the Dubai Multi Commodities Centre (DMCC) Authority, Dubai, UAE vide License No. DMCC - 678226. The license has been issued on 18.04.2019.

The registered office of the branch is situated in Dubai Multi Commodities Centre (DMCC), Dubai, UAE.

The establishment is engaged in the activity of trading of pharmaceutical products and medicines outside UAE. The establishment is managed by Mr. Sunil Murlidhar Motwani, Indian National.

Name of the branch is changed with effect from June 7, 2021 from RHIZEN PHARMACEUTICALS SA (DMCC Branch) to RHIZEN PHARMACEUTICALS AG (DMCC Branch).

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (' IFRSs')

2.1 New standards, amendments and interpretations effective from January 1, 2024

The following new and revised IFRSs are issued and effective from January 1, 2023. The application of these new and revised IFRSs does not have any material impact in prior years but may affect the accounting in current and for future transactions or arrangements.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments require that an entity discloses its material accounting policies, instead of its material accounting policy information. Further amendments explain how an entity can identify a material accounting policy. To support the amendment, the Management has applied the 'four-step materiality process' described in IFRS Practice Statement 2 as below:

Step 1: The entity identifies information that has the potential to be material.

Step 2: The entity then assesses whether the information identified in Step 1 is material. In making this assessment, the entity needs to consider quantitative (size) and qualitative (nature) factors.

Step 3: In a next step, the entity organises the information within the financial statements in a manner that supports clear and concise communication.

Step 4: The entity then steps back and assesses the information provided in the financial statements as a whole. It needs to consider whether the information is material both individually and in combination with other information. This final assessment may lead to adding additional information or removing information that is now considered immaterial, aggregating, disaggregating or reorganising information or even to begin the process again from Step 2.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 (Effective date 1 January 2023)

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

2.2 New standards, amendments and interpretations not yet effective from January 1, 2024 and not early adopted:

New and revised IFRS (Amedments)	Effective for annual periods beginning on or after
<p>Lack of Exchangeability (Amendments to IAS 21) The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.</p>	<p>January 1, 2025</p>
<p>IFRS 18 Presentation and Disclosures in Financial Statements IFRS 18 introduces new requirements to:</p> <ul style="list-style-type: none"> • present specified categories and defined subtotals in the statement of profit or loss. • provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements. • improve aggregation and disaggregation <p>IFRS 18 requires retrospective application with specific transition provisions. An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted. These amendments are not expected to have a material impact on the financial statements.</p>	<p>January 1, 2027</p>
<p>Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments: An entity is required to apply these amendments for annual reporting periods beginning on or after 1 January 2026. The amendments include:</p> <ul style="list-style-type: none"> • A clarification that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date. • Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed. • Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments. • The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI). 	<p>January 1, 2025</p>
<p>Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.</p>	



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the Branch.

3.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and under accrual system of accounting. The accounting policies have been consistently applied by the establishment during the period under review.

3.3 PROPERTY, PLANT AND EQUIPMENT

There is no Property, Plant & Equipment maintained by the branch.

3.4 REVENUE RECOGNITION

IFRS 15 'Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

Revenue from contracts with customers

Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control- at a point in time or over time - requires judgement.

The Company recognizes revenue from sale of goods based on a five step model as 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 obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods 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 Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

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

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity 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 performance obligation is satisfied.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

When the branch satisfies a performance obligation by delivering the promised goods, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized, this gives rise to a contract liability.

3.5 ACCOUNTS RECEIVABLES

Receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

The management undertakes a periodic review of the amount recoverable from Accounts & other receivables and determines recoverability based on various factors such as ageing of receivables, payment history, collateral available & other knowledge about the receivables.

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against accounts receivables and concluded that there was no material impact on the financial statements. The branch has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all Accounts receivables.

3.6 TRADE ACCOUNTS & OTHER PAYABLES

Payables are stated at nominal amounts payable for goods or services rendered.

3.7 PROVISIONS

Provisions are recognized when the Branch has a present obligation as a result of past event & it is probable that the outflow of resources will be required to settle the obligation.

3.8 FOREIGN CURRENCY

Functional and presentation currency

The financial statements are presented in UAE Dirham (AED), which is the Branch's functional and presentation currency.

Transaction and balances

In preparing the financial statements of the branch, monetary assets and liabilities in foreign currencies are translated into United Arab Emirates at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial period are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re translated.

Exchange differences arising on the settlement of monetary items, and on re-translation of monetary items are included in the *Statements of Comprehensive Income* for the period. Exchange differences arising on the re-translation of non- monetary items carried at fair value are included in the Statements of Comprehensive Income except for differences arising on the re-translation of non- monetary items in respect of which gains and losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized directly in equity.

For consolidation purposes, the assets and liabilities of the foreign subsidiaries are translated at the rate of exchange ruling at the end of the reporting period and statements of comprehensive income items are translated at the average rate. The effects of translation are taken directly to foreign currency translation reserves within equity. Such translation differences are recognized in statements of comprehensive income in the period in which its subsidiary is disposed off.

Impact of foreign exchange gain/ loss is given through provision for expenses instead of trade receivable/ payable balances.

3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and balances in bank accounts.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

3.10 RESEARCH & DEVELOPMENT

Expenditure on Research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as expense when incurred.

Development activities involve a plan or design for the production of new or substantial improved products and processes. Such expenses are recognised as an asset only when 1) Development cost can be measured reliably, 2) the product has technical and commercial feasibility, 3) future economic benefits are probable, and 4) the branch has intentions to and enough resources to complete the development and to use or to sell the asset.

3.11 LEASES

Policy applicable from January 1, 2019

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-incentives and SIC-27 Evaluating the Substance of Transactions involving the Legal form of a lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single balance sheet model.

The branch adopted IFRS 16 using the practical expedient with effect from the date of initial application of January 01, 2019. The company also elected to use the recognition exemptions for lease contracts at the commencement date for leases having term of 12 months or less and for lease contracts for which the underlying asset is of low value.

Lease payments not recognized as liability and right of use asset as on date of initial application:

The Company has elected not to recognize a lease liability and right of use assets for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	2025	2024
Short term leases		2,839,698
Total	-	2,839,698

4 CASH & CASH EQUIVALENTS	As at March 31, 2025	As at March 31, 2024
Bank balances	2,679,308	7,692,973
Closing Balance	2,679,308	7,692,973

5 DUE FROM RELATED PARTY

The branch enters into transactions with other companies that fall within the definition of a related party contained in IAS 24. Such transactions are in the normal course of business and as at arms length transactions with third parties. Related party comprise companies under common ownership and/or common management control. At the end of the reporting period, the trade and non-trade balances with related parties were as follows:

	As at March 31, 2025	As at March 31, 2024
M/s Incozen Therapeutics Pvt Ltd	487,914	1,836,250
Alembic Pharmaceuticals Limited	408,657	408,657
Closing Balance	896,571	2,244,907



RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against accounts receivables and concluded that there was no material impact on the financial statements. The company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all Due from related parties.

6 DEPOSITS AND PREPAYMENTS	As at March 31, 2025	As at March 31, 2024
Deposits	100,534	100,534
Prepayments	86,759	43,230
Closing Balance	187,293	143,764

7 ACCOUNTS & OTHER PAYABLE	As at March 31, 2025	As at March 31, 2024
Other Payables	8,400	7,875
Advance from customers against expenses	-	-
Closing Balance	8,400	7,875

8 REVENUE	2024-25	2023-24
Sales of medicines	-	-
Revenue from reserch data	-	-
Total	-	-

9 COST OF REVENUE	2024-25	2023-24
Expense on Umbralisib project	-	4,003,923
Total	-	4,003,923

10 RESEARCH AND DEVELOPMENT EXPENSE	2024-25	2023-24
Research and Development **	4,949,271	4,385,593
Total	4,949,271	4,385,593

**The company has incurred its Research and Development costs on the following Target/ Assets during the year covered. All the products are in the moderate to advanced stages of the Research phase as per the company management.

- 1) Tenalisib
- 2) RP 7214
- 3) RP 12146 PARP ½ Inhibitor
- 4) RP 15081 Pole Inhibitor
- 5) RP 14042/55 PARP7 Inhibitors
- 6) RP16035
- 7) RNO PDE4
- 8) RP6557 PI3K 8/Y and
- 9) RP3128 SOCE/ CRAC Channel.



RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)
DUBAI - UNITED ARAB EMIRATES

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

11 GENERAL AND ADMINISTRATIVE EXPENSES	2024-25	2023-24
Legal and professional charges	1,295,062	2,839,698
Insurance expenses	-	61,698
Postage and Courier expense	41,373	34,608
Bank charges	16,201	20,277
Exchange (Gain) or Loss	-	(203)
Freight charges	17,090	61,865
Miscellaneous expense	-	1,112
Total	1,369,726	3,019,055

12 RELATED PARTIES TRANSACTIONS

Related parties include key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the company or its directors or over which they exercise significant management influence. Transactions and account balances between the Branch and its related parties are described below:

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

	2024-25	2023-24
Payment to AGH	-	3,672,500
DUE FROM RELATED PARTIES	2024-25	2023-24
Alembic Pharmaceuticals Limited (India)	408,657	408,657
M/s Incozen Therapeutics Pvt Ltd	487,914	1,836,250
DUE TO RELATED PARTIES	2024-25	2023-24
Alyssum Investments Pte Limited	-	-

13 FINANCIAL INSTRUMENTS

Financial instruments means Financial Assets, Financial Liabilities and Equity Instruments. Financial Assets of the Branch include Cash and cash equivalents, Accounts Receivable, Due from related parties & Deposits. Financial Liabilities include Accounts & other payable and Due to related parties.

The management believes that the fair value of the Financial Assets and Liabilities are not significantly different from their carrying amounts at balance Sheet date.

Financial Instruments by category	As at March 31, 2025	As at March 31, 2024
Financial Assets		
Cash & cash equivalents	2,679,308	7,692,973
Due from related parties	896,571	2,244,907
Financial Liabilities		
Due to related party	-	-
Accounts & other payable	8,400	7,875

The main risk arising from the Branch's financial instruments are Currency Risk, Credit Risk and Interest Rate Risk

a. Currency Risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Branch has major exposure in Arab Emirates Dirhams, United States Dollar, Australian Dollars, Euros and Great Britain Pound and hence the currency risk is present.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
(Amount in Arab Emirates Dirhams)

Currency Risk Management

The majority of the transactions and balances are in either UAE dirham, Indian Rupees, Australian Dollar or United States Dollars and as the two currencies AED and USD are pegged and the management is booking the forex gain / loss appropriately in the books. Hence currency risk is maintained at low.

b. 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. Financial Assets, which potentially expose the establishment to credit risk, comprise mainly of bank accounts and accounts receivable.

Credit Risk Management

The establishment's bank accounts are placed with high credit quality financial institution. The establishment manages credit risk with respect to receivables from customers by monitoring in accordance with defined policies and procedures. Credit risk is limited to the carrying value of financial assets in the balance sheet.

c. Interest Rate Risk

The company does not have any term deposits and loans and hence is free of Interest Rate Risk

14 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after the balance sheet date, which require disclosure in the financial statements.

15 PREVIOUS YEAR FIGURES

Comparative figures for the previous period have been regrouped and reclassified, wherever necessary to confirm to the current period presentation.

16 ROUNDING OFF

The figures in these financial statements have been rounded to the nearest UAE Dirham.

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

The report of the auditors is set out on page 1 to 4

For

RHIZEN PHARMACEUTICALS AG (DMCC BRANCH)


MANAGER: SUNIL MOTWANI

DATE: MAY 01st, 2025

PLACE: DMCC, DUBAI, UAE

