

Fermenta Biotech USA LLC
Consolidated Financial Statements
March 31, 2022 and March 31, 2021

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Fermenta Biotech USA LLC

Consolidated Financial Statements

March 31, 2022 and March 31, 2021

Consolidated Financial Statements

Consolidated balance sheets

(All amounts stated in United States Dollars, unless otherwise stated)

| Consolidated balance sheets | | Notes | As of | |
|---|----|-------|------------------|------------------|
| (All amounts stated in United States Dollars, unless otherwise stated) | | | March 31, 2022 | March 31, 2021 |
| Assets | | | | |
| Non-current assets | | | | |
| Goodwill | 3 | | 900,845 | 900,845 |
| Other intangible assets | 4 | | 437,942 | 557,381 |
| Deferred tax assets (net) | 20 | | 139,682 | 105,404 |
| Total non-current assets | | | 1,478,469 | 1,563,630 |
| Current assets | | | | |
| Inventories | 5 | | 1,338,453 | 717,826 |
| Financial assets | | | | |
| Trade receivables | 6 | | 654,036 | 1,182,022 |
| Cash and cash equivalents | 7 | | 217,811 | 377,741 |
| Other current assets | 8 | | 45,588 | 39,825 |
| Total current assets | | | 2,255,888 | 2,317,414 |
| Total assets | | | 3,734,357 | 3,881,044 |
| Equity and liabilities | | | | |
| Equity | | | | |
| Member's equity | 9 | | 1,600,000 | 1,600,000 |
| Accumulated deficit | 9 | | (610,380) | (447,117) |
| Equity attributable to equity holders of the parent | | | 989,620 | 1,152,883 |
| Non-controlling interest | | | (90,064) | (34,804) |
| Total equity | | | 899,556 | 1,118,079 |
| Non-current liabilities | | | | |
| Financial liabilities | | | | |
| Borrowings | 10 | | 850,000 | - |
| Total non current liabilities | | | 850,000 | - |
| Current liabilities | | | | |
| Financial liabilities | | | | |
| Trade payables | | | | |
| (A) total outstanding dues of creditors other than micro enterprises and small enterprises. | 11 | | 1,971,527 | 2,762,965 |
| Other financial liabilities | | | 13,274 | - |
| Total current liabilities | | | 1,984,801 | 2,762,965 |
| Total liabilities | | | 2,834,801 | 2,762,965 |
| Total equity and liabilities | | | 3,734,357 | 3,881,044 |

(The accompanying notes are an integral part of these consolidated financial statements)

Fermenta Biotech USA LLC

Consolidated Financial Statements

March 31, 2022 and March 31, 2021

**Consolidated statement of
comprehensive loss***(All amounts in stated United States Dollars, unless
otherwise stated)*

| | Notes | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--|-------|---|---|
| Revenue from operations | 13 | 4,696,135 | 3,302,544 |
| Other income | 14 | 100,000 | - |
| Total revenue | | 4,796,135 | 3,302,544 |
| Changes in inventories of traded goods | 15 | (620,627) | (717,826) |
| Purchase of traded goods | | 4,367,261 | 4,619,993 |
| Employee benefits expense | 16 | 347,581 | 98,070 |
| Amortization expense | 17 | 119,439 | 39,813 |
| Finance costs | 18 | 13,274 | - |
| Other expenses | 19 | 822,008 | 210,194 |
| Total expenses | | 5,048,936 | 4,250,244 |
| Loss before tax | | (252,801) | (947,700) |
| (1) Current tax | 20 | - | - |
| (2) Deferred tax credit | 20 | (34,278) | (105,404) |
| Total comprehensive loss for the period, net of tax | | (218,523) | (842,296) |
| <u>Total comprehensive loss attributable to:</u> | | | |
| Equity holders of the parent | | (163,263) | (447,117) |
| Non-controlling interest | | (55,260) | (395,179) |

(The accompanying notes are an integral part of these consolidated financial statements)

Fermenta Biotech USA LLC

Consolidated Financial Statements

March 31, 2022 and March 31, 2021

Consolidated statement of cash flows*(All amounts stated in United States Dollars, unless otherwise stated)*

| | | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|---|----------------|--|--|
| A. Operating activities | | | |
| Loss before tax | | (252,801) | (947,700) |
| <i>Adjustments to reconcile loss before tax to net cash flows:</i> | | | |
| Amortization expense | | 119,439 | 39,813 |
| Finance costs | | 13,274 | - |
| <i>Working capital adjustments:</i> | | | |
| Increase in inventory | | (620,627) | 1,268,972 |
| Decrease/(Increase) in trade receivable | | 527,986 | (957,180) |
| Increase in other current assets | | (5,763) | (14,940) |
| Decrease in trade payables | | (791,438) | 600,025 |
| Decrease in other current liabilities | | - | (3,652) |
| Net cash flows used in operating activities | (A) | (1,009,930) | (14,662) |
| B. Investing activities | | | |
| Acquisition of a subsidiary, net of cash acquired <i>(refer Note 2)</i> | | - | (1,207,597) |
| Net cash flows used in investing activities | (B) | - | (1,207,597) |
| C. Financing activities | | | |
| Proceeds of loan from related party | | 850,000 | - |
| Proceeds from member | | - | 1,600,000 |
| Net cash provided by financing activities | (C) | 850,000 | 1,600,000 |
| Net increase in cash and cash equivalents | (A+B+C) | (159,930) | 377,741 |
| Cash and cash equivalents at the beginning of the period | | 377,741 | - |
| Cash and cash equivalents at the end of the period | | 217,811 | 377,741 |

(The accompanying notes are an integral part of these consolidated financial statements)

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Supplementary information**Net Debt Reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Net Debt

| | As of | |
|--------------------------------------|-----------------------|-----------------------|
| | March 31, 2022 | March 31, 2021 |
| Cash and cash equivalents | 217,811 | 377,741 |
| Borrowings | (850,000) | - |
| Lease liabilities | | |
| | (632,189) | 377,741 |
| Cash and liquid investments | 217,811 | 377,741 |
| Gross debt - variable interest rates | (850,000) | - |
| | (632,189) | 377,741 |

| | Cash and cash equivalents | Borrowings | Total |
|--------------------------------------|--------------------------------------|-------------------|--------------------|
| Net debt as of May 27, 2020 | - | - | - |
| Cashflows | 377,741 | - | 377,741 |
| Net debt as of March 31, 2021 | 377,741 | - | 377,741 |
| Cashflows | (159,930) | (850,000) | (1,009,930) |
| Net debt as of March 31, 2022 | (159,930) | (850,000) | (1,009,930) |

(The accompanying notes are an integral part of these consolidated financial statements)

Fermenta Biotech USA LLC

Consolidated Financial Statements

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Consolidated statement of changes in equity*(All amounts stated in United States Dollars except number of shares, unless otherwise stated)*

| Particulars | <u>Attributable to the equity holders of the parent</u> | | | | |
|--|---|---------------------|-----------------------|--------------------------|------------------|
| | Member's equity | Accumulated deficit | Total member's equity | Non-controlling interest | Total equity |
| For the period ended March 31, 2021 | | | | | |
| As of May 27, 2020 | - | - | - | - | - |
| Member's contribution during the period | 1,600,000 | - | 1,600,000 | - | 1,600,000 |
| Acquisition of a subsidiary | - | - | - | 360,375 | 360,375 |
| Loss for the period | - | (447,117) | (447,117) | (395,179) | (842,296) |
| As of March 31, 2021 | 1,600,000 | (447,117) | 1,152,883 | (34,804) | 1,118,079 |
| For the year ended March 31, 2022 | | | | | |
| As of April 01, 2021 | 1,600,000 | (447,117) | 1,152,883 | (34,804) | 1,118,079 |
| Loss for the year | - | (163,263) | (163,263) | (55,260) | (218,523) |
| As of March 31, 2022 | 1,600,000 | (610,380) | 989,620 | (90,064) | 899,556 |

(The accompanying notes are an integral part of these consolidated financial statements)

Fermenta Biotech USA LLC

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Fermenta Biotech USA LLC ("FBUL" or "the Company" or "the Parent Company") incorporated on May 27, 2020 in the State of Texas, United States, is a holding company. Fermenta Biotech Limited a public listed India company, is the Ultimate Parent Company of FBUL.

On December 01, 2020, the Company acquired 52% membership interest in AGD Nutrition LLC ("the subsidiary" or "the acquiree"), a Company based in Texas for a total consideration of \$ 1,291,251. AGD Nutrition LLC is engaged in the business of marketing and developing nutritional ingredients used in feed, food, pharmaceutical, and nutraceutical applications.

On December 09, 2020, the name of the subsidiary was changed to Fermenta USA LLC.

The Company conducts business through its subsidiary, namely, Fermenta USA LLC ("FUSA").

These consolidated financial statements comprise the Parent company and its subsidiary (together referred to as "the Group"), the details of which are set out above.

NOTE 2 - BUSINESS COMBINATION

Acquisition of AGD Nutrition LLC

On December 01, 2020, the Company acquired 52% of the membership of AGD Nutrition LLC, a company based in Texas for a total consideration of \$ 1,291,251.

The Company elected to measure the non-controlling interest in the acquiree at the proportionate share of its interest in the acquiree's identifiable net assets.

The fair value of the identifiable assets and liabilities of AGD Nutrition LLC as at the date of acquisition were:

| | Fair value recognised at acquisition |
|--|---|
| Assets | |
| Intangible assets (<i>Refer note 4</i>) | 597,194 |
| Cash and cash equivalents | 83,655 |
| Trade receivables | 224,842 |
| Other current assets | 24,885 |
| Inventories | 1,986,798 |
| Total assets | 2,917,374 |
| Liabilities | |
| Trade payables | (2,162,940) |
| Other current liabilities | (3,652) |
| Total liabilities | (2,166,592) |
| Total identifiable net assets at fair value | 750,782 |
| Non-controlling interest | (360,375) |
| Goodwill arising on acquisition | 900,845 |
| Purchase consideration transferred | 1,291,252 |

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| | Cash flow on acquisition |
|---------------------------------------|-------------------------------------|
| Net cash acquired with the subsidiary | 83,655 |
| Cash paid | (1,291,252) |
| Net cash flow on acquisition | (1,207,597) |

NOTE 3 - GOODWILL

| | As of | |
|---|-----------------------|-----------------------|
| | March 31, 2022 | March 31, 2021 |
| Balance at beginning of the period | 900,845 | - |
| Additional amounts recognized from business combination | - | 900,845 |
| Balance at end of the period | 900,845 | 900,845 |

NOTE 4 - OTHER INTANGIBLE ASSETS

| | As of | |
|-------------------------------|-----------------------|-----------------------|
| | March 31, 2022 | March 31, 2021 |
| Customer Relationships | | |
| Cost | | |
| Opening Balance | 597,194 | - |
| Additions | - | 597,194 |
| Closing Balance | 597,194 | 597,194 |
| Amortisation | | |
| Opening Balance | 39,813 | - |
| Amortisation | 119,439 | 39,813 |
| Closing Balance | 159,252 | 39,813 |
| Net book value | 437,942 | 557,381 |

Other intangible assets include Customer Relationships acquired through business combinations. The useful life of the Customer Relationships is estimated to be 5 years.

NOTE 5 - INVENTORIES

| | As of | |
|--------------|-----------------------|-----------------------|
| | March 31, 2022 | March 31, 2021 |
| Traded goods | 1,338,453 | 717,826 |
| | 1,338,453 | 717,826 |

Good-in-transit included in the inventory balance is \$ 666,816 as of March 31, 2022. (March 31, 2021: \$287,410)

NOTE 6 - TRADE RECEIVABLES

| | As of | |
|--------------------------|-----------------------|-----------------------|
| | March 31, 2022 | March 31, 2021 |
| Secured, considered good | 654,036 | 1,182,022 |
| | 654,036 | 1,182,022 |

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| Particulars | Outstanding for following periods from due date of payment | | |
|--|---|-------------|------------------|
| | Less than 6 months | Upto 1 year | Total |
| (i) Undisputed Trade receivables – considered good | | | |
| March 31, 2022 | 654,036 | - | 654,036 |
| March 31, 2021 | 1,182,022 | - | 1,182,022 |
| | 1,836,058 | - | 1,836,058 |

NOTE 7 - CASH AND CASH EQUIVALENTS

| | As of | |
|---------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Balances with banks | 217,811 | 377,741 |
| | 217,811 | 377,741 |

Cash and cash equivalent comprises of balance in accounts with banks. These accounts do not earn interest.

NOTE 8 - OTHER CURRENT ASSETS

| | As of | |
|------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Prepaid expenses | 45,138 | 39,375 |
| Others | 450 | 450 |
| | 45,588 | 39,825 |

NOTE 9- MEMBER'S EQUITY AND OTHER EQUITY**A MEMBER'S EQUITY**

| | As of | |
|---|------------------|------------------|
| | March 31, 2022 | March 31, 2021 |
| At the beginning of the period | 1,600,000 | - |
| Member's contribution during the period | - | 1,600,000 |
| Outstanding at the end of the period | 1,600,000 | 1,600,000 |

B Accumulated deficit

| | As of | |
|---|------------------|------------------|
| | March 31, 2022 | March 31, 2021 |
| Accumulated deficit | | |
| At the beginning of the period | (447,117) | - |
| Loss for the period | (163,263) | (447,117) |
| Balance at the end of the period | (610,380) | (447,117) |

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NOTE 10- BORROWINGS

| | As of | |
|--------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Fermenta Biotech Limited | 850,000 | - |
| | 850,000 | - |

On June 03, 2021, the Company has entered into an agreement to avail an unsecured loan of \$ 900,000 from Fermenta Biotech Limited ("The Ultimate Parent Company" or "FBL") to finance its operations. During the year, the Company has obtained a loan amounting to \$ 850,000 from FBL on December 08, 2021.

The interest rate on loan is 5% compounded annually, payable annually on 31st day of December. The term length of the loan is upto February 01, 2033. The interest expense for the year amounted to \$ 13,274.

NOTE 11- TRADE PAYABLES

| | As of | |
|---|------------------|------------------|
| | March 31, 2022 | March 31, 2021 |
| Payable to related parties (<i>Refer Note 17</i>) | 1,862,939 | 2,571,135 |
| Payable to others | 108,588 | 191,830 |
| | 1,971,527 | 2,762,965 |

| Particulars | Outstanding for following periods from due date of payment | | |
|----------------|---|------------------|------------------|
| | Less than 6 months | Upto 1 year | Total |
| March 31, 2022 | 1,744,788 | 226,739 | 1,971,527 |
| March 31, 2021 | 1,343,013 | 1,419,952 | 2,762,965 |
| | 3,087,801 | 1,646,691 | 4,734,492 |

Trade payables are non-interest bearing and are normally settled on 60-day terms.

NOTE 12 - OTHER FINANCIAL LIABILITIES

| | As of | |
|------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Accrued interest | 13,274 | - |
| | 13,274 | - |

NOTE 13- REVENUE FROM OPERATIONS

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|------------------|---|---|
| Sale of products | 4,696,135 | 3,302,544 |
| | 4,696,135 | 3,302,544 |

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Disaggregated revenue information

| | | |
|---------------------------------------|------------------|------------------|
| Revenue recognized at a point in time | 4,696,135 | 3,302,544 |
| | 4,696,135 | 3,302,544 |

NOTE 14- OTHER INCOME

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--------------------------|---|---|
| Insurance claim received | 100,000 | - |
| | 100,000 | - |

NOTE 15- CHANGES IN INVENTORIES OF TRADED GOODS

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--|---|---|
| Opening inventory | | |
| Traded goods | 717,826 | - |
| (A) | 717,826 | - |
| Closing inventory | | |
| Traded goods | 1,338,453 | 717,826 |
| (B) | 1,338,453 | 717,826 |
| Increase in inventory (C) = (A) - (B) | (620,627) | (717,826) |

NOTE 16- EMPLOYEE BENEFITS EXPENSE

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--------------------|---|---|
| Salaries and wages | 347,581 | 98,070 |
| | 347,581 | 98,070 |

NOTE 17- AMORTIZATION EXPENSE

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--|---|---|
| Amortization of intangible assets (Refer Note 4) | 119,439 | 39,813 |
| | 119,439 | 39,813 |

NOTE 18- FINANCE COSTS

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|------------------|---|---|
| Interest expense | 13,274 | - |
| | 13,274 | - |

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NOTE 19- OTHER EXPENSES

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|--------------------------------|--|--|
| Freight and forwarding charges | 388,719 | 130,192 |
| Commission on sales | 9,771 | 12,709 |
| Professional and legal fees | 153,260 | 42,370 |
| Insurance | 60,245 | 11,288 |
| Travelling and conveyance | 6,205 | - |
| Printing and stationery | 1,005 | 859 |
| Postage and telephone | 6,277 | 1,802 |
| Rent | 19,412 | 6,552 |
| Analytical Charges | - | 275 |
| Expected credit loss | 145,477 | - |
| Bank charges | 113 | 111 |
| Miscellaneous expenses | 31,524 | 4,036 |
| | 822,008 | 210,194 |

NOTE 20- TAXATION

| | For the year ended March 31, 2022 | For the period May 27, 2020 to March 31, 2021 |
|---|--|--|
| Tax expense | | |
| (a) Amounts recognised in profit and loss | | |
| Current tax | - | - |
| Deferred tax benefit | (34,278) | (105,404) |
| | (34,278) | (105,404) |
| (b) Reconciliation of effective tax rate | | |
| Profit before tax | (252,801) | (947,700) |
| Tax using the Company's domestic tax rate (March 31, 2021 : 21%) | (53,087) | (199,017) |
| <i>Tax effect of:</i> | | |
| Loss allocable to non-controlling interest | 18,809 | 93,613 |
| Tax expense as per profit or loss | (34,278) | (105,404) |
| (c) Movement in deferred tax balances | | |
| Deferred tax asset | | |
| Identified Intangibles | 11,594 | 2,898 |
| Net operating loss | 144,905 | 106,710 |
| | 156,498 | 109,608 |
| Deferred tax liabilities | | |
| Goodwill | (16,816) | (4,204) |
| | (16,816) | (4,204) |
| Net deferred tax assets | 139,682 | 105,404 |

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NOTE 21- RELATED PARTY TRANSACTIONS

Related party relationships are as follows:

Ultimate Parent Company:

Fermenta Biotech Limited

Associate Company:

Fermenta Biotech GmbH

Non-controlling interest holder:

Reyn Capital LLC

| Nature of transaction | Name of related party | For the year | For the period |
|--|--------------------------|-------------------------|-----------------------------------|
| | | ended March 31, 2022 | May 27, 2020 to March 31, 2021 |
| Purchases of products | Fermenta Biotech Limited | 2,664,036 | 1,836,985 |
| Purchases of products | Fermenta Biotech GmbH | 324,225 | - |
| Expenses incurred on behalf of the Company | Fermenta Biotech Limited | 3,000 | 9,000 |
| Expenses incurred on behalf of the Company | Fermenta Biotech GmbH | 2,500 | - |

Balances as at March 31, 2022 and March 31, 2021

| Particulars | Name of related party | As of | |
|----------------|--------------------------|----------------|----------------|
| | | March 31, 2022 | March 31, 2021 |
| Trade payables | Fermenta Biotech Limited | 1,538,714 | 2,571,135 |
| Trade payables | Fermenta Biotech GmbH | 324,225 | - |

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NOTE 22 - FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group is exposed to credit risk, liquidity risk and market risk. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates, commodity prices and equity price risk). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term borrowings. The Company is exposed to market risks related to foreign exchange rate risk, commodity rate risk, interest rate risk and other price risks, such as equity price risks. Thus, the Group's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group does majority of its transaction in its functional currency which is USD. Accordingly, the Group is not exposed to foreign currency risk.

Credit risk

Credit risk is the risk of financial loss, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Group grants credit terms in the normal course of business. Cash balances in bank accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$ 250,000 for each insured bank for each account per depositor.

The following table details the Group's exposure to credit risk

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|-----------------------------|-----------------------------|
| Trade receivables | 654,036 | 1,182,022 |
| Cash and cash equivalents | 217,811 | 377,741 |

Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due. The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid banks deposits to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments

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| Particulars | | Total | Upto 1 year | 1 to 3 years | 3 to 5 years | 5 years & above |
|-----------------------------|--|-----------|-------------|--------------|--------------|-----------------|
| | | | | | | |
| As at March 31, 2022 | | | | | | |
| Trade payable | | 1,971,527 | 1,744,788 | 226,739 | - | - |
| Borrowings | | 850,000 | - | - | - | 850,000 |
| As at March 31, 2021 | | | | | | |
| Trade payable | | 2,762,965 | 1,343,013 | 1,419,952 | - | - |

Impact of COVID 19

The macro economic impact of the COVID-19 pandemic is uncertain, and continues to evolve, with potential disruption to financial markets including to currencies, interest rates, borrowing costs and the availability of debt financing. In addition, global stress in the markets brought on by the COVID-19 crisis is being felt globally through lack of liquidity in foreign funding markets. In this environment, the Group has already taken measures to manage its liquidity and capital carefully until the crisis is over. The Group's management has been closely monitoring the cash flows and forecasts on a timely manner to maintain a reasonably healthy balance sheet during this time and beyond. As at the date of signature of these consolidated financial statements, management notes that the Group has sufficient liquidity to meet its obligations as they become due and that there are no doubts surrounding the Group's ability to continue as a going concern for the foreseeable future. Further, the Group would be supported by the Ultimate Parent Company if required in order to ensure sufficient liquidity and ability to continue as a going concern.

Management has assessed that the COVID-19 outbreak will not have a material adverse impact on the future results of the Group and accordingly no impairment indicators on the Group's non-financial assets exist as at March 31, 2022.

NOTE 23 - CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and retained earnings. The primary objective of the Group's capital management is to maximise the value of member.

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for members and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of distributions to member or return capital to its member. The Group monitors capital for consistency with others in the industry.

The Ultimate Parent Company will continue to provide financial support to the Group to meet its capital requirements.

NOTE 23 - EVENTS AFTER THE REPORTING PERIOD

The Company has evaluated subsequent events through the date of issuing the consolidated financial statements, which is May 10, 2022 and no other event has occurred from the consolidated balance sheet date through that date that would impact the consolidated financial statements materially.