

**Special Purpose Financial Statements and Independent Auditor's
Report**

Indegene Aptilon Services, Inc.

For the year ended 31 March 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of Indegene Aptilon Services, Inc.

Report on the Special purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of **Indegene Aptilon Services, Inc.** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended and notes to the special purpose financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements gives a true and fair view in conformity with the basis of preparation referred to in Note 2 of the special purpose financial statements, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the special purpose financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Management's Responsibility for the Special purpose Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance including changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making



judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 SAs 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 special purpose financial statements.

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

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the special purpose financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statements may be influenced. We could quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the special purpose financial statements.

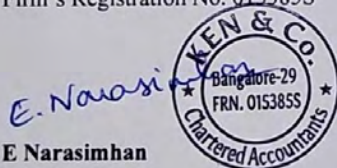
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For Ken & Co.

Chartered Accountants

Firm's Registration No. 015385S



E Narasimhan

Partner

Membership number: 228470

UDIN: 24228470BKCIFZ7683

Place: Bengaluru

Date: August 09th, 2024

Indegene Aptilon Services, Inc.
Special Purpose Balance Sheet
(All amounts in CAD, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	4	4,496	5,677
Total non-current assets		4,496	5,677
Current assets			
Financial assets			
(i) Trade receivables	5		
-Billed		2,314,624	1,942,510
-Unbilled		4,648	767
(ii) Cash and cash equivalents	6	37,855	170
(iii) Other financial assets	7	7,132	12,388
Other current assets	8	7,522	5,708
Total current assets		2,371,781	1,961,543
Total assets		2,376,277	1,967,220
Equity and Liabilities			
Equity			
Equity share capital	9	101	101
Other equity	10	1,912,013	1,684,898
Total equity		1,912,114	1,684,999
Liabilities			
Current liabilities			
Financial liabilities			
(ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	11	30,254	36,732
(ii) Other financial liabilities	12	171,742	75,724
Other current liabilities	13	10,219	13,351
Provisions	14	134,192	67,144
Current tax liabilities (net)		117,756	89,270
Total current liabilities		464,163	282,221
Total liabilities		464,163	282,221
Total equity and liabilities		2,376,277	1,967,220

The above statement should be read with the basis of preparation and material accounting policies appearing in note 2 and note 3 respectively to the Special Purpose Financial Statements appearing subsequently.

In terms of our report attached
for **Ken & Co.**
Chartered Accountants
Firm Registration No. 015385S

for and on behalf of the Board of Directors of
Indegene Aptilon Services, Inc.

Sd/-
E Narasimhan
Partner
Membership No. 228470
Place: Bengaluru
Date: 09 August 2024

Sd/-
Manish Gupta
Director
Place: Bengaluru
Date: 09 August 2024

Indegene Aptilon Services, Inc.
Special Purpose Statement of Profit and Loss
(All amounts in CAD, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	15	5,057,206	3,053,979
Total income		5,057,206	3,053,979
Expenses			
Employee benefits expense	16	4,540,110	2,788,299
Finance costs	17	2,442	1,369
Depreciation and amortisation expense	18	3,703	5,244
Other expenses	19	199,835	79,731
Total expenses		4,746,090	2,874,643
Profit before tax		311,116	179,336
Tax expense:			
Current tax	20	84,001	39,739
Total tax expenses		84,001	39,739
Profit for the year		227,115	139,597
Other comprehensive income for year		-	-
Total comprehensive profit for the year		227,115	139,597
Earnings per equity share			
[Face value of \$1]	21		
Basic		2,257.96	1,387.86
Diluted		2,257.96	1,387.86

The above statement should be read with the basis of preparation and material accounting policies appearing in note 2 and note 3 respectively to the Special Purpose Financial Statements appearing subsequently.

As per our report of even date attached
for **Ken & Co.**
Chartered Accountants
Firm Registration No. 015385S

for and on behalf of the Board of Directors of
Indegene Aptilon Services, Inc.

Sd/-
E Narasimhan
Partner
Membership No. 228470
Place: Bengaluru
Date: 09 August 2024

Sd/-
Manish Gupta
Director
Place: Bengaluru
Date: 09 August 2024

Indegene Aptilon Services, Inc.
Special Purpose Statement of Cash Flows
(All amounts in CAD, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Profit before tax	311,116	179,336
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	3,703	5,244
Operating profit before working capital changes	314,819	184,580
Changes in Working Capital		
Decrease in trade receivables	(375,995)	(124,732)
Decrease/(Increase) in other financial assets	5,256	(5,587)
Decrease in other current assets	(1,814)	(1,235)
(Decrease)/Increase in trade payables	(6,478)	20,910
Increase/(Decrease) in other financial liabilities	96,018	(126,732)
Increase in other current liabilities	63,916	37,072
Cash generated from/(used in) operations	95,722	(15,724)
Income tax paid (net)	(55,515)	(37,919)
Net cash generated from/(used in) operating activities (A)	40,207	(53,643)
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(2,522)	(3,614)
Net cash used in investing activities (B)	(2,522)	(3,614)
Net decrease in Cash and cash equivalents (A+B)	37,685	(57,257)
Cash and cash equivalents at the beginning of the year	170	57,427
Cash and cash equivalents at the end of the year	37,855	170

Note:-

1. Cash and cash equivalents include

	As at 31 March 2024	As at 31 March 2023
Balances with bank		
- Current accounts	37,855	170
	37,855	170

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

The above statement should be read with the basis of preparation and material accounting policies appearing in note 2 and note 3 respectively to the Special Purpose Financial Statements appearing subsequently.

In terms of our report attached
for **Ken & Co.**
Chartered Accountants
Firm Registration No. 015385S

for and on behalf of the Board of Directors of
Indegene Aptilon Services, Inc.

Sd/-
E Narasimhan
Partner
Membership No. 228470
Place: Bengaluru
Date: 09 August 2024

Sd/-
Manish Gupta
Director
Place: Bengaluru
Date: 09 August 2024

Indegene Aptilon Services, Inc.
Special Purpose Statement of Changes in Equity
(All amounts in CAD, unless otherwise stated)

Equity share capital

Particulars	No. of shares	Amount
Balance as at 1 April 2022	100	101
Issued during the year	-	-
Balance as at 31 March 2023	100	101
Issued during the year	-	-
Balance as at 31 March 2024	100	101

Other equity

Particulars	Reserves & Surplus	
	Retained earnings	Total other equity
Balance as at 1 April 2022	1,545,301	1,545,301
Profit for the year	139,597	139,597
Balance as at 31 March 2023	1,684,898	1,684,898
Profit for the year	227,115	227,115
Balance as at 31 March 2024	1,912,013	1,912,013

Nature and purpose of reserves

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

The above statement should be read with the basis of preparation and material accounting policies appearing in note 2 and note 3 respectively to the Special Purpose Financial Statements appearing subsequently.

As per our report of even date attached
for **Ken & Co.**
Chartered Accountants
Firm Registration No. 015385S

for and on behalf of the Board of Directors of
Services Indegene Aptilon, Inc.

Sd/-
E Narasimhan
Partner
Membership No. 228470
Place: Bengaluru
Date: 09 August 2024

Sd/-
Manish Gupta
Director
Place: Bengaluru
Date: 09 August 2024

Indegene Aptilon Services, Inc.
Material Accounting Policies to Special Purpose Financial Statements

(All amounts in CAD, except share data and where otherwise stated)

1. Corporate Information

Indegene Aptilon Services, Inc. ("the Company") was incorporated on 11th December 2023. The registered office of the corporation is to be located at 251 Little Falls drive, in the city of Washington, in the country of New Castle, in the State of Delaware, 19808.

Indegene Aptilon Services, Inc is a subsidiary of Indegene, Inc., the "Parent Company", [a wholly owned subsidiary of the ILSL Holdings, Inc., the "Intermediary Holding Company" [a wholly owned subsidiary of Indegene Limited (formerly Indegene Private Limited), the "Ultimate Holding Company"]].

These Special Purpose Financial Statements were authorized for issue by the Board of Directors of the Company on 09 August 2024.

2. Basis of preparation of Special Purpose Financial Statements

(i). Statement of compliance and basis of preparation

The Special Purpose financial information of the Company comprise the Special Purpose Balance Sheet as at 31 March 2024 and 31 March 2023, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash flows for the year ended 31 March 2024 and 31 March 2023, the summary of material accounting policies and explanatory notes (collectively, the 'Special Purpose Financial Statement').

The Special Purpose Standalone financial information of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Special Purpose Standalone Financial Statements and other relevant provisions of the Act. Further, these are not the statutory financial statements of the Company.

These financial statements are prepared for inclusion in the annual report of the Ultimate Holding Company (Indegene Limited) under the requirements of section 129(3) of the Companies Act, 2013 and for the purpose of inclusion in the Annual Performance Report to be submitted with authorised dealer.

The accounting policies have been consistently applied by the Company in preparation of the Special Purpose Financial Statements. These Special Purpose Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited Special Purpose Financial Statements mentioned above.

The preparation of these Special Purpose Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Special Purpose Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note (iv).

(ii). Functional and presentation currency

These Special Purpose Financial Statements are presented in Canadian Dollars ("CAD"), which is also the functional currency of the Company, except share and per share data and unless otherwise stated.

(iii). Basis of measurement

The Special Purpose Financial Statements have been prepared on a going concern basis, the historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:-

- a) Defined benefits assets/ (liability)
- b) Share based payments

(iv). Use of estimates or judgement

The preparation of Special Purpose Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Special Purpose Financial Statements is included in the following notes:

i. Revenue recognition: The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product and services are combined and accounted as a single performance obligation. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The Company also exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company uses the percentage of completion method using the input method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Further, the Company also considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer and acceptance of delivery by the customer.

ii. Income taxes: The major tax jurisdiction for the Company is the Canada. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. The tax assessments can be lengthy and complex issues and could take inordinate amount of time before they are resolved. The Company considers all these complexities while estimating income taxes, however, there could be an unfavorable resolution of such issues.

iii. Deferred taxes: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization 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 Company considers the expected reversal of deferred tax assets and projected future taxable income in making this assessment. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

2. Basis of preparation of Special Purpose Financial Statements (Continued)

iv. Defined benefit plans and compensated absences: The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v. Expected credit losses on financial assets: The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting periods.

vi. Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

vii. Useful lives of property, plant and equipment: The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets which is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

viii. Useful lives of intangible assets: The intangible assets are amortised by the Company on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand and other economic factors such as the stability of the industry and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

ix. Other estimates: The share-based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Information about other estimation and assumptions related uncertainties that could have a significant risk of material adjustment is recognition and measurement of provisions: key assumptions about the likelihood and magnitude of an outflow of resources.

3. Material accounting policies

3.1. Foreign currency transactions

Foreign operations

All transactions in foreign currencies are translated to the functional currency using the prevailing exchange rates on the date of such transactions. All monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. All non-monetary assets and liabilities that are measured at fair value in foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. All foreign currency differences are generally recognized in the statement of profit and loss, except for non-monetary items denominated in foreign currency and measured based on historical cost, as they are not translated.

3.2. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in the Special Purpose Statement of Profit and Loss and Other Comprehensive Income.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital advance.

Subsequent costs

The Company recognises the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the Special Purpose Statement of Profit and Loss and Other Comprehensive Income as an expense as incurred. Ongoing repairs and maintenance are expensed as incurred.

Depreciation

Depreciation is charged on a straight-line basis over the estimated useful lives of items of property, plant and equipment. The estimated useful lives are as follows:

Asset classification	Useful life as per Companies Act, 2013	Estimated useful life
Computers and accessories	3 years	3 years
Furniture and fittings	10 years	3-5 years
Office equipment	5 years	3-5 years
Vehicles	8 years	5 years

Leasehold improvements are depreciated over the lease period or over the useful lives of assets, whichever is lower. The depreciation method, useful life and residual values are reviewed at each reporting date and adjusted if appropriate. Assets acquired through business combination are depreciated on straight line basis over the remaining useful life of asset estimated by the management on the date of acquisition. The asset category and the useful lives estimated by management are as per schedule II to Companies Act, 2013, except furniture and fittings and vehicles.

3. Material accounting policies (Continued)

3.3. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments in the form of financial assets and financial liabilities are generally presented separately. Financial instruments are recognized on the Special Purpose Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Upon initial recognition, financial instruments are measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which these are classified.

Financial assets

Financial assets are classified into following categories:

- Financial assets carried at amortised cost
- Financial assets fair valued through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL),

Financial assets primarily comprise of trade receivables, loan and receivables, cash and bank balances, marketable securities and investments.

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it meets both the following criteria:

- (i) the asset is held within a business model whose objective is to hold the asset to collect contractual cash flows, and
- (ii) the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it meets both the following criteria:

- (i) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in Other Comprehensive Income. For equity investments elected to be measured at FVTOCI, all fair value changes in the instruments excluding dividends, are recognised in OCI and is never recycled to Special Purpose Statement of Profit and Loss, even on sale of the instrument. Interest income earned on FVTOCI instruments are recognised in the Special Purpose Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which does not meet the amortised cost or FVTOCI criteria is measured as FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses on re-measurement recognised in Special Purpose Statement of Profit and Loss. The gain or loss on disposal is recognised in the Special Purpose statement of profit and loss. Interest income earned on FVTPL instruments are recognised in the Special Purpose statement of profit and loss.

Financial liabilities

Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities. Financial liabilities primarily include trade payables, liabilities to banks, derivative financial liabilities and other liabilities.

Financial liabilities measured at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

De-recognition of financial assets and liabilities

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a borrowing for the proceeds received.

A financial liability (or a part of financial liability) is derecognised from the Company's Special Purpose Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the Special Purpose Balance Sheet only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. Material accounting policies (Continued)

Impairment

(a) Financial assets

Ind AS 109 requires the Company to record expected credit losses on all of its financial assets which are debt securities, loans and receivables, either on a 12-month or life time expected credit losses. The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, ECL are measured at an amount equal to 12-month ECL, unless there is a significant increase in the credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Special Purpose statement of profit and loss.

(b) Non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date.

Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

3.4. Equity

The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. Qualifying transaction costs incurred in anticipation of an issuance of equity instruments is deferred on the Special Purpose statement of assets and liabilities until the equity instrument is recognized. Deferred costs are subsequently reclassified as a deduction from equity when the equity instruments are recognized.

3.5. Employee benefits

(i) Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in Special Purpose Statement of Profit and Loss and Other Comprehensive Income in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Since the Company does not have rights to defer the leave availment by the employees, the entire obligation has been classified as 'current liabilities' under 'short-term provisions'.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(ii) Other long term benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and future periods. That benefit is discounted to determine its present value. Re-measurements are recognised in Special Purpose Statement of Profit and Loss in the period in which they arise.

(iii) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employee.

3.6. Provisions

A provision is recognised in the Special Purpose Balance Sheet when the Company has a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Indegene Aptilon Services, Inc.
Material Accounting Policies to Special Purpose Financial Statements
(All amounts in CAD, except share data and where otherwise stated)

3. Material accounting policies (Continued)

3.7. Revenue

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the services rendered.

A. Time and materials contracts

Revenues and costs relating to time and materials are recognized as the related services are rendered.

B. Fixed-price contracts

Revenues related to fixed-price contracts namely maintenance and testing and business process services are recognized based on the Company's right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. Revenue is recognized based on the achievement of the output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

Revenue from other fixed price contracts is recognized using the percentage-of-completion method, calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on fixed-price development contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Unbilled revenues on other than fixed price development contracts are classified as a financial asset where the right to consideration is unconditional upon passage of time.

Volume based contracts

Revenues and costs are recognized as the related services are rendered.

C. Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

Revenue from sale of services is measured based on the transaction price, which is the consideration, adjusted for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. If the Company controls the good or service before it is transferred to the customer, the Company is the principal; if not, the Company is the agent.

Indegene Aptilon Services, Inc.
Material Accounting Policies to Special Purpose Financial Statements
(All amounts in CAD, except share data and where otherwise stated)

3. Material accounting policies (Continued)

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue - refer note 5) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues - refer note 13).

3.8. Finance cost

Finance costs comprises of interest expenses including interest on tax, bank charges.

3.9. Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax expense is recognised in the Special Purpose Statement of Profit and Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Special Purpose Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.10. Determination of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3 inputs for the asset or liability that are not based on unobservable data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3.11. Contingent liability and asset

A disclosure for contingent liabilities is made where there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.12. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

3.13. Non current assets or disposal Companys held for distribution

Non-Current assets, or disposal groupss comprising assets and liabilities are classified as held for distribution if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groupss are generally measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as held for distribution, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3. Material accounting policies (Continued)

3.14. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated.

3.15. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period or
- Cash or cash equivalents 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 normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

3.16. Recent accounting developments

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As of 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company that has not been applied.

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Indegene Aptilon Services, Inc.**Notes forming part of the Special Purpose Financial Statements***(All amounts in CAD, unless otherwise stated)***4 Property, plant and equipment**

Particulars	Plant and equipment	Furniture and Fittings	Computers	Vehicles	Lease hold improvements	Total
a Gross carrying amount						
Balance as at 01 April 2022	7,578	4,843	167,619	-	106,469	286,509
Additions	134	-	3,480	-	-	3,614
Balance as at 31 March 2023	7,712	4,843	171,099	-	106,469	290,123
Additions	-	-	2,002	-	-	2,002
Balance as at 31 March 2024	7,712	4,843	173,101	-	106,469	292,125
b Accumulated Depreciation						
Balance as at 01 April 2022	6,855	4,843	163,023	-	104,481	279,202
For the year	-	-	5,244	-	-	5,244
Balance as at 31 March 2023	6,855	4,843	168,267	-	104,481	284,446
For the year	164	-	1,551	-	1,988	3,703
Translation adjustments	468	-	(988)	-	-	(520)
Balance as at 31 March 2024	7,487	4,843	168,830	-	106,469	287,629
c Net carrying amount						
Balance as at 1 April 2022	723	-	4,596	-	1,988	7,307
Balance as at 31 March 2023	857	-	2,832	-	1,988	5,677
Balance as at 31 March 2024	225	-	4,271	-	-	4,496

There are no immovable properties owned by the Company.

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Indegene Aptilon Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

5 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Billed		
Trade receivables*	2,314,624	1,942,510
	2,314,624	1,942,510
Break-up:		
	As at 31 March 2024	As at 31 March 2023
(Unsecured, unless otherwise stated)		
Trade receivables considered good*	2,314,624	1,942,510
Total Trade Receivables	2,314,624	1,942,510

* Refer note 23 for related party disclosures.

Particulars	Outstanding as at 31 March 2024 from due date of payment						Gross trade	Expected credit loss allowance	Net trade receivables
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivable - considered good	520,984	1,793,640	-	-	-	-	2,314,624	-	2,314,624
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-
Total	520,984	1,793,640	-	-	-	-	2,314,624	-	2,314,624
Trade receivables - Unbilled									4,648
									2,319,272

Particulars	Outstanding as at 31 March 2023 from due date of payment						Gross trade	Expected credit loss allowance	Net trade receivables
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivable - considered good	364,007	1,578,503	-	-	-	-	1,942,510	-	1,942,510
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-
Total	364,007	1,578,503	-	-	-	-	1,942,510	-	1,942,510
Trade receivables - Unbilled									767
									1,943,277

6 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- Current accounts	37,855	170
	37,855	170

7 Other current financial assets

	As at 31 March 2024	As at 31 March 2023
Receivable from related parties*	7,132	-
Advance to employees	-	12,388
	7,132	12,388

8 Other current assets

	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	1,883	5,708
Balance with government authorities	5,639	-
	7,522	5,708

Services Indegene Aptilon, Inc.

Notes forming part of the Special Purpose Financial Statements

(All amounts in CAD, unless otherwise stated)

9 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised :		
100 (31 March 2024: 100) shares of the common stock of \$1 each	101	101
TOTAL	101	101
Issued, subscribed and fully paid :		
100 (31 March 2024: 100) shares of the common stock of \$1 each	101	101
TOTAL	101	101

a) Reconciliation of number of common stocks outstanding at the beginning and end of the year :

Equity shares :	As at 31 March 2024		As at 31 March 2023	
	No. of shares*	Amount (in CAD)	No. of shares*	Amount (in CAD)
Outstanding at the beginning of the year	100	101	100	101
Issued during the year	-	-	-	-
Outstanding at the end of the year	100	101	100	101

* Number of shares is presented as absolute number.

Terms / Rights attached to each classes of shares

Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of CAD 1 each. Shareholders are entitled to one vote per equity share held in the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

b) Shareholders holding more than 5% shares in the Company is set out below:

Shares of the common stock of CAD 1 each fully paid	As at 31 March 2024		As at 31 March 2023	
	No. of shares*	% holding	No. of shares*	% holding
Indegene, Inc.	100	100%	100	100%

* Number of shares is presented as absolute number.

c) Shareholding of Promoters: Nil

10 Other equity

Reserves and surplus	As at 31 March 2024	As at 31 March 2023
Retained earnings	1,912,013	1,684,898
	1,912,013	1,684,898
Retained earnings	As at 31 March 2024	As at 31 March 2023
Opening balance	1,684,898	1,545,301
Profit for the year	227,115	139,597
Closing balance	1,912,013	1,684,898

Nature and purpose of reserves:

Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

Indegene Aptilon Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

11 Trade payables

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,254	36,732
	<u>30,254</u>	<u>36,732</u>

Ageing for trade payables outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	
Outstanding dues of micro and small enterprises	-	-	-	-	-	-
Outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	-	-	-	-	-	-
Add: Accrued expenses						<u>30,254</u>
						<u>30,254</u>

Ageing for trade payables outstanding as at 31 March 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	
Outstanding dues of micro and small enterprises	-	-	-	-	-	-
Outstanding dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	-	-	-	-	-	-
Add: Accrued expenses						<u>36,732</u>
						<u>36,732</u>

During the year ended 31 March 2024 and 31 March 2023, no amount was paid to micro and small enterprises beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006. Further, no interest is accrued or remaining unpaid as at 31 March 2024 and 31 March 2023 respectively.

12 Other current financial liabilities

	As at 31 March 2024	As at 31 March 2023
Payable to related parties*	20,751	41,009
Accrued compensation to employees	150,991	34,715
Bank overdraft balance	-	-
	<u>171,742</u>	<u>75,724</u>

* Refer note 23 for related party disclosures.

13 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Advance received from customers	7,267	7,267
Unearned revenue	2,952	2,952
Statutory payables	-	3,132
	<u>10,219</u>	<u>13,351</u>

14 Provisions

	As at	As at
<i>Provision for employee benefits:</i>		
Provision for employee compensated absences	134,192	67,144
	<u>134,192</u>	<u>67,144</u>

Indegene Aptilon Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

15 Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from rendering of services	5,057,206	3,053,979
	5,057,206	3,053,979

The below table represents disaggregated services revenue from contract with customers by contract type and customer geographies for each segment for the years ended 31 March 2024 and 31 March 2023.

Year ended 31 March 2024	Fixed price and volume based	Time & material	Total
Enterprise Medical Solutions	-	-	-
Enterprise Commercial Solutions	5,057,206	-	5,057,206
Omnichannel Activation	-	-	-
Others	-	-	-
	5,057,206	-	5,057,206

Revenue from rendering of services disaggregated by primary geographical market

	United States of America	Europe	Rest of the world	Total
Enterprise Medical Solutions	-	-	-	-
Enterprise Commercial Solutions	-	-	5,057,206	5,057,206
Omnichannel Activation	-	-	-	-
Others	-	-	-	-
	-	-	5,057,206	5,057,206

Year ended 31 March 2023

	Fixed price and volume based	Time & material	Total
Enterprise Medical Solutions	-	-	-
Enterprise Commercial Solutions	3,053,979	-	3,053,979
Omnichannel Activation	-	-	-
Others	-	-	-
	3,053,979	-	3,053,979

Revenue from rendering of services disaggregated by primary geographical market

	United States of America	Europe	Rest of the world	Total
Enterprise Medical Solutions	-	-	-	-
Enterprise Commercial Solutions	-	-	3,053,979	3,053,979
Omnichannel Activation	-	-	-	-
Others	-	-	-	-
	-	-	3,053,979	3,053,979

16 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and bonus	4,425,893	2,725,898
Compensated absences	90,776	55,570
Staff welfare expense	20,009	6,831
Equity settled share based compensation	3,432	-
	4,540,110	2,788,299

17 Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Bank and other incidental charges	2,442	1,369
	2,442	1,369

18 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4)	3,703	5,244
	3,703	5,244

19 Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Travelling and conveyance expenses	111,404	34,438
Legal and professional charges	40,253	8,759
Subscription and periodicals	11,460	10,763
Sub-contracting / technical fees	5,928	3,598
Recruitment charges	3,689	5,253
Insurance	3,898	1,962
Computer consumables	7,239	1,132
Miscellaneous expenses	15,964	13,826
	199,835	79,731

Indegene Aptilon Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

20 Taxes

(a) Statement of profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Tax expense:		
Current tax	84,001	39,739
Income tax expense reported in the statement of profit or loss	84,001	39,739

(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's domestic tax rate

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Accounting loss before tax	311,116	179,336
Tax rate	27%	27%
Tax as per the statutory regulations	84,001	48,421
Tax expenses		
Current tax	84,001	39,739
	84,001	39,739
Difference	-	8,682
Tax reconciliation		
Adjustments:		
Others, net	-	(8,682)
Difference	-	-

21 Earnings Per Share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Basic Earnings Per Share		
(i) Profit for basic earning per share of face value of CAD 1 each		
Profit for the year	227,115	139,597
(ii) Weighted average number of equity shares outstanding during the year	101	101
Basic earnings per share (face value of CAD 1 each)	2,257.96	1,387.86
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Diluted Earnings Per Share		
(i) Profit for diluted earning per share of CAD 1 each		
Profit for the year	227,115	139,597
(ii) Weighted average number of equity shares outstanding during the year	101	101
Diluted earnings per share (face value of CAD 1 each)	2,257.96	1,387.86

22 Commitments and Contingencies: Nil

23 Related Party Disclosures

(A) Related parties and the nature of the relationship

Particulars	Country of Incorporation	As at 31 March 2024	As at 31 March 2023
(a) Ultimate Holding Company			
Indegene Limited (formerly Indegene Private Limited)	India	100%	100%
(b) Intermediary Holding Company			
ILSL Holdings, Inc.	USA	100%	100%
(c) Parent Company			
Indegene, Inc.	USA	100%	100%
(d) Key management personnel ("KMP")			Nature
Dr. Rajesh B Nair			Director
Mr. Manish Gupta			Director

23 Related Party Disclosures (Continued)

(B) Related party transactions

Particulars	As at 31 March 2024	As at 31 March 2023
Expenses paid by related parties on behalf of the Company		
Indegene, Inc.	2,081	13,822
Indegene Limited (Formerly Indegene Private Limited)	10,513	-
ILSL Holdings, Inc.	-	3,349
Expenses paid by the Company on behalf of related parties		
Indegene, Inc.	5,488	-
Revenue from operations		
Indegene, Inc.	5,041,242	3,000,881
ESOP cost		
Indegene Limited (Formerly Indegene Private Limited)	3,432	-

(C) Balances receivable/payable from / to related parties are as follows:

Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
Trade receivables	2,314,098	1,941,814
Other receivables	7,132	-
Other payables	20,751	41,009

24 Fair value measurements

(a) Categories of financial instruments -

Set out below, is a comparison by class of the carrying amounts and fair value of the financials instruments of the company, other than those with carrying amounts that are reasonable approximate of fair value.

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets		
Amortised cost		
Trade receivables	2,319,272	1,943,277
Cash and cash equivalents	37,855	170
Other financial assets	7,132	12,388
	2,364,259	1,955,835
Total financial assets	2,364,259	1,955,835
Financial liabilities		
Amortised cost		
Trade payables	30,254	36,732
Other financial liabilities	171,742	75,724
	201,996	112,456
Total financial liabilities	201,996	112,456

Notes:

The fair value of cash and cash equivalents, trade receivables, unbilled receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

(b) Fair value hierarchy:

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1, 2 and 3 during the year ended 31 March 2024 and 31 March 2023.

The carrying values of financial instruments such as short-term trade receivables and payables, reasonably approximates to fair value and hence separate disclosure of the fair values are not made.

25 Financial risk management

The Company has exposure to the credit, liquidity and market risks from its use of financial instruments. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures aims to develop a disciplined and constructive control environment in which all employees understand their rules and obligations.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As on the reporting date, the Company has no such obligations.

(b) Currency risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (CAD). Consequently, the Company is not exposed to significant foreign exchange risk.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. All of the revenue of the Company is derived from customers located in the United States of America. The Company derives significant portion of its revenue from a limited number of customers. The following table gives details in respect of percentage of revenue generated from top customer and top ten customers.

Particulars	Revenue from top customer	%	Revenue from top ten customers	%
As at 31 March 2024	5,041,242	100%	5,057,206	100%
As at 31 March 2023	3,000,881	98%	3,053,979	100%

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and deliver terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references. The Company analyses trade receivables periodically and allowances for doubtful receivables are created on a customer specific basis if required.

Financial assets that are neither past due nor impaired

Cash and cash equivalents are neither past due nor impaired. Cash and cash equivalents with banks which have high credit-ratings assigned by domestic credit-rating agencies.

Financial assets that are past due but not impaired

The Company's credit period is generally 75 to 90 days. The ageing analysis of the trade receivables has been considered from the date the invoice falls due. The age wise break up of receivables, net of allowances that are past due, is given below:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets that are neither past due nor impaired	520,984	364,007
Financial assets that are past due but not impaired		
Past due 0-30 days	503,002	626,065
Past due 31-90 days	986,711	269,147
Past due 91-365 days	303,927	683,291
Total	2,314,624	1,942,510

Indegene Aptilon Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company'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 Company's reputation.

Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of 31 March 2024, cash and cash equivalents are held with major banks and financial institutions.

The table below summarizes the maturity profile of the Company's financial liabilities at the reporting date, based on contractual undiscounted payments:

As at 31 March 2024

Contractual cash flows	Carrying value	6 months or less	6 months to 1 year	More than one year	Total
Trade payables	30,254	30,254	-	-	30,254
Other financial liabilities	171,742	171,742	-	-	171,742
Total	201,996	201,996	-	-	201,996

As at 31 March 2023

Contractual cash flows	Carrying value	6 months or less	6 months to 1 year	More than one year	Total
Trade payables	36,732	36,732	-	-	36,732
Other financial liabilities	75,724	75,724	-	-	75,724
Total	112,456	112,456	-	-	112,456

26 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital is managed to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure.

Indegene Aptilon Services, Inc. is a closely held Company, in which 100% of the capital as at 31 March 2024 is held by the Parent Company. The Company is not subject to externally imposed capital requirements.

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	-	-
Net debt (a)	-	-
Equity share capital (refer note 9)	101	101
Other equity (refer note 10)	1,912,013	1,684,898
Total capital (b)	1,912,114	1,684,999
Capital and net debt (c)	1,912,114	1,684,999
Gearing ratio (a/c)	-	-
Total debt as a percentage of total equity (a/b)	-	-

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

Indegene Aptilon Services, Inc.**Notes forming part of the Special Purpose Financial Statements***(All amounts in CAD, unless otherwise stated)***27 Employee share-based compensation**

The Employee Stock Option Plan 2020 ("ESOP 2020"), Employee Restricted Stock Unit Plan 2020' ("RSU 2020"), Employee Stock Option Scheme Plan 2007 ("ESOP 2007"), Employee Restricted Stock Unit Plan, 2015 ("RSU 2015") (collectively "stock option plans") are intended to provide a means whereby certain employees of Ultimate Holding Company and its subsidiaries, present or future, may develop a sense of proprietorship and personal involvement in the development and financial success of Ultimate Holding Company and its subsidiaries (including subsidiaries of such subsidiary). The compensation committee designated by the Board of Directors of Ultimate Holding Company are given the mandate of administering, supervising and implementing the stock option plans.

The participants shall be eligible to receive stock options under the stock option plans. The number of options granted to each participant shall be confirmed by an option letter issued by the compensation committee. The option letter shall show the number of options to which the participant is entitled, the exercise price, method of payment and such other details as the compensation committee may specify. The participant who wishes to accept the offer must deliver an acceptance form to the compensation committee on or before such date as may be specified by the compensation committee. The Ultimate Holding Company cross-charges the ESOP scheme cost to the respective subsidiary based on the grant date fair valuation.

Below is the summary of stock options issued during the year ended 31 March 2024:

Name of ESOP Plan	Number of options				
	Opening balance	Employee transfer within group companies	Grant	Forfeiture	Closing balance
ESOP 2020	-	1,355	6,979	(3,799)	4,535

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Indegene Apton Services, Inc.
Notes forming part of the Special Purpose Financial Statements
(All amounts in CAD, unless otherwise stated)

28 Corporate social responsibility

The Company is not covered under section 135 of the Companies Act 2013 and accordingly the corporate social responsibility requirements are not applicable.

29 Subsequent Events

The Company has evaluated all events or transactions that occurred after 31 March 2024 up through 09 August 2024, the date the financial statements were authorised for issue by the Board of Directors. Based on this evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure.

30 Previous year's figures

Previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary to be comparable with the figures of the current year's classification and disclosure.

As per our report of even date attached

for **Ken & Co.**
Chartered Accountants
Firm Registration Number: 015385S

for and on behalf of the Board of Directors of
Services Indegene Apton, Inc.

Sd/-
E Narasimhan
Partner
Membership Number: 228470
Place: Bengaluru
Date: 09 August 2024

Sd/-
Manish Gupta
Director
Place: Bengaluru
Date: 09 August 2024