BIOLEXIS PTE. LTD.
(Incorporated in Singapore) (Co. Reg. No.: 201906845R)

ANNUAL REPORT
For the financial year ended 31 March 2024

Audit Alliance LLP
Public Accountants and
Chartered Accountants

BIOLEXIS PTE. LTD.
(Incorporated in Singapore) (Co. Reg. No.: 201906845R)

ANNUAL REPORT
For the financial year ended 31 March 2024

Contents

DIRECTORS' STATEMENT

For the financial year ended 31 March 2024

The directors present their statement to the member together with the audited financial statements of the Company for the financial year ended **31 March 2024.**

In the opinion of the directors,

(a) the financial statements of the Company as set out on pages **7 to 29** are drawn up so as to give a true and fair view of the financial position of the Company as at **31 March 2024** and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, with the continued financial support from ultimate holding corporation, **OneSource Specialty Pharma Limited** (formerly known as **Stelis Biopharma Limited**), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Pun Hin Wai	
Naveen Madaan	(appointed on 16 August 2023)
Chunky Agarwal	(appointed on 11 November 2024)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the share or debentures of the Company and related corporations.

Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent Auditor

The independent auditor, **Audit Alliance LLP**, has expressed its willingness to accept re-appointment.

On behalf of the directors

Pun Hin Wai
Director

Naveen Madan
Director

Date: **28 NOV 2024**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BIOLEXIS PTE. LTD.
Co. Reg. No.: 201906845R

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **BIOLEXIS PTE. LTD.** (the Company), which comprise the statement of financial position as at **31 March 2024**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the **Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs)** so as to give a true and fair view of the financial position of the Company as at **31 March 2024** and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with **Singapore Standards on Auditing ("SSAs")**. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the **Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code)** together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to **Note 2.2** in the financial statements, which indicates that the Company incurred a net loss of **US$81,499** during the year ended **31 March 2024** and, as of that date, the Company's current liabilities exceeded its total assets by the **US$1,268,614**. As stated in **Note 2.2**, these events or conditions, along with other matters as set forth in **Note 2.2**, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to **Note 15** of the financial statements, which describes the contingent liabilities arising from the Contract Manufacturing Agreement ("CMA") between the Company and Prestige Biopharma Limited ("Prestige"). As stated in **Note 15**, Prestige has claimed damages amounting to at least **US$136.32 million** due to the termination of the CMA, and the matter is currently subject to arbitration proceedings at the Singapore International Arbitration Centre. Additionally, the Company has filed a counterclaim for a refund of **US$13.63 million**.

Emphasis of Matter (continued)

Based on the independent legal advisor's opinion, it is unlikely that the Prestige's claim would be unfavorable to the Company, hence, there would be no outflow of resources. The management also believes the probability of such an outflow is remote, and consequently, no provision has been recognized in the financial statements. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages **1** to **2**.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the 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.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Tai Wai.

Audit Alliance LLP

AUDIT ALLIANCE LLP
Public Accountants and Chartered Accountants

Singapore,

Date: **28 NOV 2024**

BIOLEXIS PTE. LTD.
Co. Reg. No.: 201906845R

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

	Note	**2024 US$**	2023 US$
Other (losses) / gains - net	4	**(109)**	552
Expenses			
- Administrative expenses	5	**(81,390)**	(24,818)
- Impairment loss on intangible assets		**-**	(6,600,000)
- Impairment loss on inventories		**-**	(1,707,846)
Total expenses		**(81,390)**	(8,332,664)
Loss before tax		**(81,499)**	(8,332,112)
Income tax expense	6(a)	**-**	-
Net loss and total comprehensive losses for the year		**(81,499)**	(8,332,112)

BIOLEXIS PTE. LTD.
Co. Reg. No.: 201906845R

STATEMENT OF FINANCIAL POSITION
As at 31 March 2024

	Note	**2024**	2023
		US$	US$
ASSETS			
Current assets			
Cash and cash equivalents	7	**1,701**	6,593
Other receivables and prepayments	8	**16,245**	15,304
		17,946	21,897
Total assets		**17,946**	21,897
LIABILITIES			
Current liabilities			
Borrowings	9	**-**	913
Other payables and accruals	10	**1,286,560**	1,768,873
		1,286,560	1,769,786
Non-current liabilities			
Borrowings	9	**459,411**	48,701
Total liabilities		**1,745,971**	1,818,487
Net liabilities		**(1,728,025)**	(1,796,590)
SHAREHOLDER'S EQUITY			
Share capital	11	**6,915,001**	6,915,001
Equity component of convertible preference shares	12	**151,644**	1,580
Accumulated losses		**(8,794,670)**	(8,713,171)
Total equity		**(1,728,025)**	(1,796,590)

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2024

	Note	Share capital US$	Equity component of convertible preference shares US$	Accumulated losses US$	Total US$
2024					
Beginning of financial year		**6,915,001**	**1,580**	**(8,713,171)**	**(1,796,590)**
Net loss and total comprehensive losses for the year		**-**	**-**	**(81,499)**	**(81,499)**
Issue of new share option	12	**-**	**150,064**	**-**	**150,064**
End of financial year		**6,915,001**	**151,644**	**(8,794,670)**	**(1,728,025)**
2023					
Beginning of financial year		6,915,001	-	(381,059)	6,533,942
Net loss and total comprehensive losses for the year		-	-	(8,332,112)	(8,332,112)
Issue of new share option	12	-	1,580	-	1,580
End of financial year		6,915,001	1,580	(8,713,171)	(1,796,590)

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2024

	Note	**2024 US$**	2023 US$
Cash flows from operating activities			
Loss before tax		**(81,499)**	(8,332,112)
Adjustments for:			
- Provision for impairment loss on inventories		**-**	1,707,846
- Provision for impairment loss on intangible assets		**-**	6,600,000
- Unrealised exchange losses / (gains)	4	**52**	(804)
- Interest expense	5	**9,861**	2,637
Operating cash flow before working capital changes		**(71,586)**	(22,433)
Change in working capital:			
- Other receivables and prepayments		**(941)**	(10,292)
- Other payables and accruals		**(482,373)**	4,422
Cash used in operations		**(554,900)**	(28,303)
Interest paid		**-**	(1,443)
Net cash used in operating activities		**(554,900)**	(29,746)
Cash flows from financing activities			
Proceeds from issuance of preference shares	9	**550,000**	-
Net cash provided by financing activities		**550,000**	-
Net decrease in cash and cash equivalents during the financial year		**(4,900)**	(29,746)
Cash and cash equivalents at beginning of financial year		**6,593**	36,373
Effects of currency translation on cash and cash equivalents		**8**	(34)
Cash and cash equivalents at end of financial year	7	**1,701**	6,593

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

BIOLEXIS PTE. LTD. ("the Company") is incorporated and domiciled in **Singapore**. The address of its registered office is 36 Robinson Road, #13-06 City House, Singapore 068877.

The principal activities of the Company are manufacture of pharmaceutical products and preparations for human use. (e.g. Tableted products)

There have been no significant changes in the nature of these activities during the financial year.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in **Note 3**.

Interpretations and amendments to published standards effective in 2023

On **1 April 2023**, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. Material accounting policy information (continued)

2.2 Material uncertainty related to going concern

The financial statements of the Company have been prepared on a going concern basis notwithstanding the net loss of **US$81,499** during the year ended **31 March 2024** and, as of that date, the Company's current liabilities exceeded its total assets by **US$1,268,614**. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of its ultimate holding company, OneSource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited), to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

If the financial support is not forthcoming and as a result Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in statement of financial position. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

2.3 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arise from the initial recognition of an asset or liability that affects neither accounting nor taxable statement of comprehensive income at the time of the transaction.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Current and deferred income taxes are recognised as income or expenses in the statement of comprehensive income, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

2. Material accounting policy information (continued)

2.3 Income taxes (continued)

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.4 Impairment of non-financial assets

Prepayment is tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in statement of comprehensive income.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in statement of comprehensive income.

2.5 Financial assets

The Company measure its financial assets using amortised cost.

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

2. Material accounting policy information (continued)

2.5 Financial assets (continued)

(i) At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of comprehensive income.

(ii) At subsequent measurement

Debt instruments of the Company mainly comprise of cash and cash equivalents, and other receivables and prepayments.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets. The Company managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest.

Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

2.6 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.7 Other payables and accruals

Other payables and accruals represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables and accruals are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.8 Fair value estimation of financial assets and liabilities

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques, such as discounted cash flows analyses, are also used to determine the fair values of the financial instruments.

2. Material accounting policy information (continued)

2.8 Fair value estimation of financial assets and liabilities (continued)

The carrying amount of current receivables and payables approximate their fair values. The fair value of non-current financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

2.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash at bank with the financial institutions which are subject to an insignificant risk of change in value.

2.10 Currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in **United States Dollar**, which is the Company's functional and presentation currency

Transactions in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognised in the statement of comprehensive income.

2.11 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities.

Convertible preference shares

The total proceeds from convertible preference shares issued are allocated to the liability component and the equity component, which are separately presented on the statement of financial position.

The liability component is recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible bonds. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the preference shares.

2. Material accounting policy information (continued)

2.11 Borrowings (continued)

The difference between the total proceeds and the liability component is allocated to the conversion option (equity component), which is presented in equity net of any deferred tax effect. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained profits.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3. Critical accounting estimates and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Classification of convertible preference shares

Significant judgement is required to classify and measure the convertible preference shares accurately, particularly in determining whether the convertible preference shares should be classified as debt, equity, or a combination of both. The key consideration involves the evaluation of conversion options and the classification of the convertible preference shares based on the substance of the contractual terms.

The Company has determined that the convertible preference shares are classified as a compound financial instrument, consisting of both financial liabilities and equity instruments. This classification is based on the fact that the contract is a non-derivative arrangement where the Company could be required to issue ordinary shares on redemption at the option of the holders of the convertible preference shares. The equity and liability components have been determined based on the present value calculation, appropriately allocating the fair value of the instrument between these two components.

The Company has recognised the financial liability of **S$459,411** (2023: S$49,614) and equity conversion component of **S$151,644** (2023: S$1,580) as disclosed in Note 9.

4. Other (losses) / gains - net

	2024	2023
	US$	US$
Realised foreign exchange losses	**(57)**	(252)
Unrealised foreign exchange (losses) / gains	**(52)**	804
	(109)	552

5. Administrative expenses

	2024	2023
	US$	US$
Bank charges	**991**	953
Interest expense	**9,861**	2,637
Professional and legal fees	**55,674**	20,357
Rates and taxes	**13,048**	-
Other expenses	**1,816**	871
	81,390	24,818

6. Income taxes

(a) Income tax expense

	2024	2023
	US$	US$
Tax expense attributable to losses is made up of:		
Current income tax	**-**	-

The tax expense on loss differs from the amount that would arise using the Singapore standard rate of income tax due to following:

	2024	2023
	US$	US$
Loss before income tax	**(81,499)**	(8,332,112)
Tax calculated at a tax rate **17%** (2023: 17%)	**(13,855)**	(1,416,459)
Effect of:		
- expenses not deductible for tax purposes	**13,855**	1,416,459
Tax charge	**-**	-

6. Income taxes (continued)

(b) Movement in income tax liability

	2024	2023
	US$	US$
Beginning and end of financial year	**-**	-

There is no movement in income tax liability during the year.

7. Cash and cash equivalents

	2024	2023
	US$	US$
Cash at bank	**1,701**	6,593

The carrying amounts of cash and cash equivalents approximate their fair value.

Cash and cash equivalents are denominated in the following currencies:

	2024	2023
	US$	US$
Euro	**93**	27
United States Dollar	**1,608**	6,566
	1,701	6,593

8. Other receivables and prepayments

	2024	2023
	US$	US$
Other receivables		
- ultimate holding corporation	**9,607**	9,683
Prepayments	**6,638**	5,621
	16,245	15,304

Other receivables due from ultimate holding corporation is unsecured, interest free and repayable on demand.

8. Other receivables and prepayments (continued)

The carrying amounts of other receivables and prepayments are denominated in the following currencies:

	2024	2023
	US$	US$
Singapore Dollar	**6,638**	5,621
Euro	**9,607**	9,683
	16,245	15,304

9. Borrowings

	2024	2023
	US$	US$
Current		
Convertible preference shares	**-**	913
Non-current		
Convertible preference shares	**459,411**	48,701
	459,411	49,614

The convertible preference shares are unsecured, issued at nominal value of US$1 per convertible preference shares, bears an interest rate based on prevailing banking rates which is to be determined by the Board of Directors at the time of redemption and are redeemable at nominal value of **S$50,000** and **S$550,000** or may be converted into ordinary shares of the Company at the option of holder after 5 years on **31 October 2027** and **05 December 2028** respectively, from the date of issuance.

The exposure of the convertible preference shares of the Company to interest rate changes and the contractual repricing dates at the statement of financial position date are as follows:

	2024	2023
	US$	US$
Within 1 year	**-**	913
1 – 5 years	**459,411**	48,701

(a) Fair value of convertible preference shares

The carrying amounts and fair value of convertible preference shares is as follows:

	2024	2023
	US$	US$
Convertible preference shares	**459,411**	49,614

9. Borrowings (continued)

The fair values of the liability component of convertible preference shares are calculated using market interest rate for an equivalent non-convertible bond at the date of issue. The residual amount, representing the value of equity conversion component, is included in shareholders' equity in other reserves, net of deferred tax.

	2024 **US$**	2023 US$
Face value of convertible preference shares at issuance	**600,000**	50,000
Equity conversion component on initial recognition	**(151,644)**	(1,580)
Liability component initial recognition	**448,356**	48,420
Accumulated Interest expense	**11,055**	1,194
Liability component at end of financial year	**459,411**	49,614

The fair values above are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the statement of financial position date which the director expect to be available to the Company as follows:

	2024	2023
Convertible preference shares	**6.00%**	6.00%

(b) Reconciliation of liability arising from financing activities

31 March 2024	**01 April 2023 US$**	**Proceeds from convertible preference shares US$**	**Equity component of convertible preference shares US$**	**Principal and interest settlement US$**	**Interest expense US$**	**31 March 2024 US$**
Convertible preference shares	**49,614**	**550,000**	**(150,064)**	**-**	**9,861**	**459,411**

9. Borrowings (continued)

31 March 2023	01 April 2022 US$	Non cash changes - Additions US$	Equity component of convertible preference shares US$	Principal and interest settlement US$	Interest expense US$	31 March 2023 US$
Intercompany borrowing	50,000	-	-	(51,443)	1,443	-
Convertible preference shares	-	50,000	(1,580)	-	1,194	49,614
	50,000	50,000	(1,580)	(51,443)	2,637	49,614

10. Other payables and accruals

	2024 US$	2023 US$
Other payables related to:		
- ultimate holding corporation	**1,164,848**	-
- immediate holding corporation	**-**	1,712,563
- related parties	**114,344**	49,344
	1,279,192	1,761,907
Accrued expenses	**7,368**	6,966
	1,286,560	1,768,873

Other payables due to ultimate holding corporation, immediate holding corporation and related parties are unsecured, interest free and repayable on demand.

The carrying amounts of other payable and accruals approximate their fair value.

Other payables and accruals are denominated in the following currencies:

	2024 US$	2023 US$
Singapore Dollar	**-**	6,966
United States Dollar	**1,286,560**	1,761,907
	1,286,560	1,768,873

11. Share capital

	No. of ordinary shares		Amount	
	2024	2023	**2024 US$**	2023 US$
Issued share capital				
Beginning of financial year	**4,590,001**	4,590,001	**6,915,001**	6,915,001
Issue of new shares	**-**	-	**-**	-
End of financial year	**4,590,001**	4,590,001	**6,915,001**	6,915,001

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holders of ordinary shares are entitled to receive dividend as and when declared by the company. All ordinary shares carry one vote per share without restrictions.

12. Equity component of convertible preference shares

	2024 US$	2023 US$
Beginning of financial year	**1,580**	-
Issue of new convertible preference shares	**150,064**	1,580
End of financial year	**151,644**	1,580

During financial year ended **31 March 2024**, the Company issued **US$550,000** (2023: US$50,000) fully paid redeemable preference shares with a par value of US$1 per share. The redeemable preference shares can either be redeemed at par or convertible into ordinary shares after 5 years and dividend (if declared by the Company) shall be paid on non-cumulative basis. Redeemable preference shares do not carry the right to vote.

13. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimize adverse effects from the unpredictability of financial markets on the Company's financial performance.

The management is responsible for setting the objectives and underlying principles of financial risk management for the Company. The management team then establishes detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by finance personnel.

The finance personnel measure actual exposures against the limits set and prepare regular reports for the review of the management team. The information presented below is based on information received by key management.

13. Financial risk management (continued)

(a) Market risk

(i) Currency risk

The Company's business is exposed to moderate currency risk from the exposures to various currencies, primarily with respect to the Singapore Dollar (SGD) and Euro (EUR) as significant financial asset are denominated in Singapore Dollar (SGD) and Euro (EUR). The Company manages this risk by monitoring the foreign currency exchange rate movements closely to ensure that exposure is minimized.

The Company's currency exposure to the SGD and EUR are as follows:

	Note	**SGD US$**	**EUR US$**	**Total US$**
2024				
Financial assets				
Cash and cash equivalents	7	**-**	**93**	**93**
Other receivables and prepayments	8	**6,638**	**9,607**	**16,245**
		6,638	**9,700**	**16,338**
Net financial assets		**6,638**	**9,700**	**16,338**
Currency exposure		**6,638**	**9,700**	**16,338**

	Note	SGD US$	EUR US$	Total US$
2023				
Financial assets				
Cash and cash equivalents	7	-	27	27
Other receivables and prepayments	8	5,621	9,683	15,304
		5,621	9,710	15,331
Financial liabilities				
Other payables and accruals	10	6,966	-	6,966
		6,966	-	6,966
Net (financial liabilities) / financial assets		(1,345)	9,710	8,365
Currency exposure		(1,345)	9,710	8,365

13. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

At **31 March 2024**, if the SGD had strengthened / weakened by **1%** (2023: 2%) against the USD with all other variables including tax rate being held constant, the Company's profit after tax for the financial year would have been **US$66** (2023: US$27) higher / lower as a result of currency translation gains / losses on the un-hedged SGD denominated financial instrument.

At **31 March 2024**, if the EUR had strengthened / weakened by **2%** (2023: 4%) against the USD with all other variables including tax rate being held constant, the Company's profit after tax for the financial year would have been **US$194** (2023: US$388) higher / lower as a result of currency translation gains / losses on the un-hedged EUR denominated financial instrument.

(ii) Price risk

The Company has insignificant exposure to equity price risk as it does not hold significant equity financial assets.

(iii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instruments will fluctuate due to changes in market interest rates. As the company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has insignificant financial assets or liabilities that are exposed to interest rate risks.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Company.

There is no significant concentration of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company does not have financial assets that are subject to more than immaterial credit losses where the expected credit loss model has been applied.

(i) Other receivables from ultimate holding corporation

The Company has assessed the ultimate holding corporation have sufficient accessible highly liquid assets to meet the contractual obligation of **US$9,607** (2023: US$9,683) and considered to have low credit risk. Other receivables due from ultimate holding corporation are measured on 12-month expected credit losses and subject to immaterial credit loss.

13. Financial risk management (continued)

(b) *Credit risk* (continued)

(ii) *Cash and cash equivalent*

The Company held cash and cash equivalents of **US$1,701** (2023: US$6,593) with banks that have high credit rating and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(c) *Liquidity risk*

The Company manages liquidity risk by maintaining cash sufficient to enable it to meet its operational requirements.

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flow.

	Carrying amount US$	Contractual cash flows US$	One year or less US$
At 31 March 2024			
Other payables and accruals	**1,286,560**	**1,286,560**	**1,286,560**
At 31 March 2023			
Other payables and accruals	1,768,873	1,768,873	1,768,873

(d) *Capital risk*

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Board of Directors monitors its capital based on net debt and total capital. Net debt is calculated as borrowings plus other payables and accruals less cash and cash equivalents. Total capital is calculated as equity plus net debt.

The gearing ratio is calculated as net debt divided by total capital.

	2024 US$	2023 US$
Net debt	**1,744,270**	1,811,894
Total equity	**(1,728,025)**	(1,796,590)
Total capital	**16,245**	15,304
Gearing ratio	**10,737%**	11,839%

The Company is not subjected to any externally imposed capital requirements.

13. Financial risk management (continued)

(e) *Financial instruments by category*

The aggregate carrying amounts of financial assets and financial liabilities at amortised cost are as follows:

	2024	2023
	US$	US$
Financial assets, at amortised cost	**11,308**	16,276
Financial liabilities, at amortised cost	**1,745,971**	1,719,259

14. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

	2024	2023
	US$	US$
Expenses paid on behalf to immediate holding corporation	**-**	9,607
Funds from related corporation	**65,000**	-
Interest expense on loan from immediate holding corporation	**9,861**	1,443
Issuance of redeemable preference shares to immediate holding corporation	**550,000**	-

Outstanding balances with related parties at the statement of financial position date are set out in **Note 8, Note 9** and **Note 10** respectively.

15. Contingent liabilities

On 26 November 2021, the Company and ENSO Healthcare DMCC (ENSO) entered into Contract Manufacturing Agreement (CMA) with Prestige Biopharma Limited (Prestige) to manufacture Sputnik Light Vaccine. However, due to delays in the availability of cell banks and Prestige's lack of readiness, the Company terminated the CMA. In response, on 03 January 2023, Prestige, through its lawyer, claimed that it had suffered a loss of profits estimated to be at least US$136.32 million due to termination of CMA.

15. Contingent liabilities (continued)

On 17 January 2023, Prestige issued a notice of mediation and proposes that the parties submit a request to the Singapore International Mediation Centre (SIMC) to resolve the matter. However, the mediation did not succeed in resolving the issue and on 05 June 2023, the matter was referred to Singapore International Arbitration Centre (SIAC) by Prestige, where proceedings are currently ongoing as at the date of authorisation of the financial statements.

The Company also filed a counter claim dated 09 May 2024 against Prestige asserting that it has breached the CMA, entitling the Company to a refund of the US$13.63 million which it had paid in advance to Prestige as reservation fee, which Prestige has guaranteed to refund in case no manufacturing occurs within the agreed timelines.

Based on the independent legal advisor's opinion, it is unlikely that the Prestige's claim would be unfavorable to the Company, hence, there would be no outflow of resources. The management also believes the probability of such an outflow is remote, and consequently, no provision has been recognized in the financial statements.

16. Immediate and ultimate holding corporation

On 08 June 2023, The Company's former immediate holding corporation **OneSource Specialty Pharma Limited** (formerly known as **Stelis Biopharma Limited**) transferred its shareholding to its subsidiary **Biolexis Private limited,** a Company incorporated in India who resultantly became immediate holding corporation of the Company and the ultimate holding corporation of the Company is **OneSource Specialty Pharma Limited** (formerly known as **Stelis Biopharma Limited)**, incorporated in **India**.

17. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2024 and which the Company has not early adopted.

Amendments to FRS 1 Presentation of Financial Statements: *Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 April 2024) Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 April 2024)*

The narrow-scope amendments to FRS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

17. New or revised accounting standards and interpretations (continued)

Amendments to FRS 1 Presentation of Financial Statements: (continued)

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what FRS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The Company does not expect any significant impact arising from applying these amendments.

Amendments to FRS 7 Statement of Cash Flows and FRS 107 Financial Statements: Disclosures: *Supplier finance arrangements (effective for annual periods beginning on or after 1 April 2024)*

The amendments clarify the characteristics of supplier finance arrangements (“SFA”) and introduce new disclosures of such arrangements. The objective of the new disclosures is to provide information about supplier finance arrangements that enables investors to assess the effects on an entity’s liabilities, cash flows and the exposure to liquidity risk.

There is a transitional relief of not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances.

The amendments will be effective for annual periods beginning on or after 1 April 2024. Early adoption is permitted.

The Company does not expect any significant impact arising from applying these amendments.

17. New or revised accounting standards and interpretations (continued)

Amendments to FRS 116 Leases*: Lease liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 April 2024)*

The narrow-scope amendments to FRS 116 explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

The Company does not expect any significant impact arising from applying these amendments.

18. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of **BIOLEXIS PTE. LTD.** on 28 NOV 2024.

BIOLEXIS PTE. LTD.
Co. Reg. No.: 201906845R

DETAILED INCOME STATEMENT
For the financial year ended 31 March 2024

	2024 US$	2023 US$
OTHER (LOSSES) / GAINS - NET		
Realised foreign exchange losses	**(57)**	(252)
Unrealised foreign exchange (losses) / gains	**(52)**	804
	(109)	552
LESS: OPERATING EXPENSES		
Bank charges	**(991)**	(953)
Interest expense	**(9,861)**	(2,637)
Other expense	**(1,816)**	(871)
Professional and legal fees	**(55,674)**	(20,357)
Provision for impairment loss on intangible assets	**-**	(6,600,000)
Provision for impairment loss on inventories	**-**	(1,707,846)
Rate and taxes	**(13,048)**	-
	(81,390)	(8,332,664)
Loss before income tax	**(81,499)**	(8,332,112)
Income tax expenses	**-**	-
Net loss and total comprehensive losses	**(81,499)**	(8,332,112)

CORPORATE DATA
For the financial year ended 31 March 2024

BIOLEXIS PTE. LTD.
(Incorporated in Singapore)

Company Registration Number: 201906845R

Board of Directors

Pun Hin Wai	
Chunky Agarwal	(appointed on 11 November 2024)
Naveen Madaan	(appointed on 16 August 2023)

Auditor
Audit Alliance LLP
Chartered Accountants
No 10 Anson Road,
#20-16, International Plaza,
Singapore 079903.
Telephone : (65) 6227 5428
Auditor-In-Charge : Lee Tai Wai

Registered Office
36 Robinson Road,
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Singapore 068877.

Company Secretary
Lau Yim Chu Nancy
Lew Sau Leng

Principal Banker
United Overseas Bank Limited
ICICI Bank Limited

Immediate Holding Corporation
Biolexis Private Limited

Ultimate Holding Corporation
OneSource Specialty Pharma Limited (formerly known as Stelis Biopharma Limited)