KAYA LIMITED
SUBSIDIARY FINANCIALS 2019-20

Index of Subsidiary Financials as on March 31, 2020	
Sr. No.	**Name of Subsidiary**
1.	KME Holdings Pte. Ltd.
2.	Kaya Middle East FZE
3.	Kaya Middle East DMCC
4.	Iris Medical Centre LLC
5.	Minal Medical Centre LLC
6.	Minal Specialised Clinic Dermatology LLC

Note: The Financial Accounts in respect of each subsidiary of the Company are presented as per clause (a) of fourth proviso to Section 136(1) of the Companies Act, 2013 and in accordance with General Circular No. 11/2015 issued by Ministry of Corporate Affairs dated July 21, 2015

KME HOLDINGS PTE. LTD.
(UEN: 201328294H)
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2020

KME HOLDINGS PTE. LTD.

(UEN: 201328294H)

(Incorporated in Singapore)

FINANCIAL STATEMENTS - 31 MARCH 2020

The directors are pleased to present their statement to the members together with the audited financial statements of KME Holdings Pte. Ltd. (the "Company") for the financial year ended 31 March 2020.

Opinion of the directors

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and

(b) at the date of this statement, 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 in office at the date of this statement are:

Nair Rajiv Chandrashekaran	
Chin Joek Poen	
Irfan Mustafa	(Appointed 31 March 2019)

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 objects 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 kept by the Company under Section 164 of the Singapore Companies Act, Chapter 50, the directors of the Company who held office at the end of the financial year had no interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were 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 auditors

The auditors, Robert Yam & Co PAC, have expressed their willingness to accept re-appointment.

Nair Rajiv Chandrashekaran
Director

Irfan Mustafa
Director

20 JUN 2020

To the members of KME HOLDINGS PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of KME Holdings Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (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 2020 and the financial performance, changes in equity and cash flows of the Company for the 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.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement included in pages 1 to 2 but does not include the financial statements and our auditor's report thereon.

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.

To the members of KME HOLDINGS PTE. LTD. (cont'd)

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.

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.

To the members of KME HOLDINGS PTE. LTD. (cont'd)

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

- 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.

Robert Yam & Co PAC

Robert Yam & Co PAC
Public Accountants and
Chartered Accountants
Singapore

20 June 2020

RY/JON/rbm

Statement of Financial Position
As at 31 March 2020

	Note	2020 S$	2019 S$
ASSETS			
Non-current assets			
Investment in a subsidiary	5	19,418,394	19,418,394
Loan to subsidiary	6	727,369	-
Current assets			
Cash and cash equivalents	7	8,688	7,098
Total assets		20,154,451	19,425,492
EQUITY AND LIABILITIES			
Equity			
Share capital	8	19,480,707	19,480,707
Accumulated losses		(1,209,527)	(1,188,764)
Total equity		18,271,180	18,291,943
Non-current liabilities			
Loan from a subsidiary	10	1,126,737	1,116,737
Loan from holding company	11	746,033	-
Current liabilities			
Other payables	9	10,501	16,812
Net current liabilities		(1,813)	(9,714)
Total liabilities		1,883,271	1,133,549
Net assets		18,271,180	18,291,943
Total equity and liabilities		20,154,451	19,425,492

The accompanying notes to the financial statements form an integral part of the financial statements.

KME HOLDINGS PTE. LTD.

	Note	2020 S$	2019 S$
Other income	12	39,617	-
Other operating expenses	13	(60,380)	(62,881)
Profit before income tax		(20,763)	(62,881)
Income tax expense	14	-	-
Net (loss)/profit, representing total comprehensive income for the year		(20,763)	(62,881)

Statement of Changes in Equity
For the financial year ended 31 March 2020

	Share capital S$	Accumulated losses S$	Total equity S$
Balance at 1 April 2018	19,480,707	(1,125,883)	18,354,824
Net loss, representing total comprehensive income for the year	-	(62,881)	(62,881)
Balance at 31 March 2019	19,480,707	(1,188,764)	18,291,943
Net loss, representing total comprehensive income for the year	-	(20,763)	(20,763)
Balance at 31 March 2020	19,480,707	(1,209,527)	18,271,180

KME HOLDINGS PTE. LTD.

Statement of Cash Flows
For the Financial Year Ended 31 March 2020

	Note	2020 S$	2019 S$
Cash flows from operating activities:			
Loss before income tax		(20,763)	(62,881)
Changes in working capital:			
Other payables		(6,311)	3,664
Net cash from operating activities		(27,074)	(59,217)
Cash flows from investing activity:			
Addition to investment in a subsidiary		-	-
Net cash used in investing activity		-	-
Cash flows from financing activities:			
Proceeds from issuance of ordinary shares		-	-
Loan to a subsidiary		(727,369)	-
Proceeds from loan from holding company		746,033	-
Proceeds from loan from a subsidiary		10,000	65,377
Net cash from financing activities		28,664	65,377
Net increase in cash and cash equivalents		1,590	6,160
Cash and cash equivalents at beginning of year		7,098	938
Cash and cash equivalents at end of year	7	8,688	7,098

The accompanying notes to the financial statements form an integral part of the financial statements.

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

1. General Information

KME Holdings Pte. Ltd. (the "Company") is a limited liability private company which is incorporated and domiciled in Singapore.

Its registered office is located at 8 Temasek Boulevard, #22-04 Suntec Tower Three, Singapore 038988.

The immediate holding company is Kaya Limited, which is incorporated in India. The principal activity of the Company is that of investment holding.

The financial statements for the financial year ended 31 March 2020 were authorised for issue in accordance with a resolution of the directors on 20 June 2020.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") and the related interpretations to FRS ("INT FRS") as issued by the Accounting Standards Council in Singapore. They are in compliance with the provisions of the Companies Act, Chapter 50.

2.2 Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Going concern

The Company's current liabilities exceeded its current assets by S$1,813 (2019: S$9,714) as at 31 March 2020. These factors indicate the existence of a material uncertainty which may cast doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern depends on the immediate holding company' undertaking to provide continuing financial support to pay its debts as and when they fall due.

2. Basis of preparation (cont'd)

2.4 Going concern (cont'd)

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that 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 the 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.

2.5 Basis of presentation

Consolidated financial statements have not been presented as the Company is a wholly owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements. The address of the parent company presenting the Company financial statements is: Kaya Limited 23/C, 2nd Floor, Mahal Industrial Estate, Mahakali Caves Road, near Paper Box Lane, Andheri, Mumbai, India.

3. Significant accounting policies

3.1 Investment in subsidiary

A subsidiary is an entity that is controlled by the Company and the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the Company has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the Company controls another entity.

An investment in a subsidiary is accounted for at cost less impairment losses, if any. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

3.2 Impairment of non-financial assets

The Company assesses at each reporting period whether there is an indication that an asset may be impaired. If any indication exists or when an annual impairment test for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less cost of disposal and its value-in-use and determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3. Significant accounting policies (cont'd)

3.2 Impairment of non-financial assets (cont'd)

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation are taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.3 Financial instruments

Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition, the financial asset or financial liability is measured at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset or financial liability.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

Classification and measurement of financial assets

Financial asset classified as measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) 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.

Classification and measurement of financial liabilities

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

3. Significant accounting policies (cont'd)

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank which are subject to an insignificant risk of changes in value.

3.5 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Changes in estimates are reflected in profit or loss in the financial year they occur.

3.6 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 at the end of the reporting period.

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 arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) 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 at the end of the reporting period; and

(b) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

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

3. Significant accounting policies (cont'd)

3.7 Foreign currency

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency 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 end of the reporting period are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4. Significant accounting judgments and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Management is of the opinion that there is no significant judgment made in applying accounting policies in the current period.

4.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimated impairment of non-financial assets

Investment in a subsidiary is tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The Company considers the guidance of FRS 36 in assessing whether there is any objective evidence or indication that an item of the above assets may be impaired. This assessment requires significant judgment.

If any such objective evidence or indication exists, the recoverable amount of the assets is estimated to ascertain the amount of impairment loss. The recoverable amount is defined as the higher of the fair value less cost to sell and value-in-use.

In determining the value-in-use of assets, the Company applies a discounted cash flow model whereby the future cash flows derived from such assets are discounted at an appropriate rate. Forecasts of future cash flows are estimated based on financial budgets and forecasts approved by the management.

5. Investment in a subsidiary

	2020 S$	2019 S$
Shares, at cost:		
Beginning of financial year	19,418,394	19,418,394
Additions	-	-
End of financial year	19,418,394	19,418,394

Details of the subsidiary are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Cost of investment 2020 S$	Cost of investment 2019 S$	Percentage of equity held 2020 %	Percentage of equity held 2019 %
Held by the Company						
Kaya Middle East FZE	U. A. E.	Skin care and cosmetic products	19,418,394	19,418,394	100	100

6. Loan to a subsidiary

	2020 S$	2019 S$
Loan to a subsidiary	727,369	-

7. Cash and cash equivalents

	2020 S$	2019 S$
Cash at bank	8,688	7,098

8. Share capital

	2020 No. of ordinary shares	2020 S$	2019 No. of ordinary shares	2019 S$
Issued and fully paid				
Beginning of financial year	19,480,707	19,480,707	19,480,707	19,480,707
Shares issued	-	-	-	-
End of financial year	19,480,707	19,480,707	19,480,707	19,480,707

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The Company has one class of ordinary shares which carry one vote per share without restriction. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company.

8. Share capital (cont'd)

In last financial year, the Company issued additional 10,638,297 ordinary shares for a total cash consideration of S$10,638,297 to its immediate holding company for provide additional working capital. The newly issued shares rank pari passu in all respects with the previously issued shares.

9. Other payables

	2020 S$	2019 S$
Accruals	4,700	4,700
Amount due to non-related parties	5,801	12,112
	10,501	16,812

Amount due to non-related parties are unsecured, non-interest bearing and are repayable on demand.

10. Loan from a subsidiary

	2020 S$	2019 S$
Loan from a subsidiary	1,126,737	1,116,737

Loan from subsidiary are unsecured, non-interest bearing with no fixed terms of repayment. The loans are not expected to be repaid within the next twelve months from the end of the reporting period. Fair value information has not been disclosed for loan from subsidiary because fair value cannot be measured reliably as the loans have no fixed terms of repayment.

Loan from subsidiary is denominated in United States Dollar.

11. Loan from holding company

	2020 S$	2019 S$
Loan from holding company	746,033	-

12. Other income

	2020 S$	2019 S$
Interest income	17,114	-
Foreign exchange gain	22,503	-

13. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2020 S$	2019 S$
Audit fee	4,700	4,700
Foreign exchange loss	35,425	33,360
Professional fee	4,054	24,550
Interest on borrowing	15,837	-
Bank charges	364	270

14. Income tax expense

	2020 S$	2019 S$
Reconciliation of effective tax rate:		
Loss before tax	(20,763)	(62,881)
Tax calculated at statutory tax rate of 17% (2019: 17%)	(3,530)	(10,690)
Expenses not deductible for tax purposes	3,530	10,690
Income not subject to tax	-	-
Income tax expense	-	-

15. Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	2020 S$	2019 S$
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	8,688	7,098
Financial liabilities		
Financial liabilities measured at amortised cost:		
Other payables	10,501	16,812
Loan from holding company	746,033	-
Loan from a subsidiary	1,126,737	1,116,737
	1,883,271	1,133,549

Further quantitative disclosures are included throughout these financial statements.

16. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, currency risk and liquidity risk.

The board of directors reviews and agrees policies and procedures for managing each of these risks on an informal basis. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk arises primarily from cash and cash equivalents. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing only with high credit quality counterparties.

Credit risk refers to the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from cash and cash equivalents. The Company minimises credit risk by dealing only with high credit quality counterparties.

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

<u>Financial assets that are neither past due nor impaired</u>

Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings.

<u>Financial assets that are past due and/or impaired</u>

The Company does not have any class of financial assets that are past due and/or impaired.

(b) Currency risk

Currency risk arises when transactions are denominated in foreign currencies. The Company transactional currency exposures arising from sales or purchases that are denominated in a currency other than SGD. The currencies giving rise to this risk is primarily United States Dollar (USD). At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

16. Financial risk management (cont'd)

(b) Currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the effects arising from the net financial asset position to a reasonably possible change in the USD exchange rate against SGD, with all other variables including tax rate being held constant.

	2020 Profit after tax S$	2019 Loss after tax S$
USD/SGD – strengthened 5% (2020: 7%)	(1,083)	(45,016)
USD/SGD – weakened 5% (2020: 7%)	1,083	45,016

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages its liquidity risk by maintaining an adequate level of cash and cash equivalents. The directors are satisfied that funds are available to finance the operations of the Company.

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	1 year or less S$	Over 1 year S$	Total S$
2020			
Other payables	10,501	-	10,501
Loan from holding company	-	746,033	746,033
Loan from a subsidiary	-	1,126,737	1,126,737
	10,501	1,872,770	1,883,271
2019			
Other payables	16,812	-	16,812
Loan from a subsidiary	-	1,116,737	1,116,737
	16,812	1,116,737	1,133,549

17. Fair value of financial instruments

The carrying amounts of cash and cash equivalents and other payables are reasonable approximation of fair values due to their short-term nature.

18. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The capital structure of the Company consists of its share capital and accumulated losses as shown in the statement of financial position.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 March 2020 and 2019. The Company's overall strategy remained unchanged from 2019.

19. Changes and adoption of financial reporting standards

For the current reporting year, new or revised financial reporting standards were issued by the Accounting Standards Council in Singapore. Those applicable to the Company are listed below. Those applicable new or revised standards did not require any significant modification of the measurement method or the presentation in the financial statements.

FRS No.	**Title**
FRS 109	Financial Instruments

20. New standards and interpretations not yet adopted

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. None of these are applicable to the Company based on the Company's current operations.

The annexed detailed profit or loss account does not form part of the statutory accounts and therefore it is not covered by the independent auditor's report. It is not necessary to file the detailed profit or loss account with the Accounting & Corporate Regulatory Authority.

KME HOLDINGS PTE. LTD.

Detailed Trading and Profit and Loss Account
For the Financial Year Ended 31 March 2020

	2020 S$	2019 S$
OTHER INCOME		
Foreign exchange gain	22,503	-
Interest income	17,114	-
	39,617	-
Less: OPERATING EXPENSES		
Audit fee	4,700	4,700
Bank charges	364	270
Foreign exchange loss	35,425	33,360
Professional fees	4,054	24,551
Interest payable	15,837	-
	60,380	62,881
Loss for the year before tax	(20,763)	(62,881)

KAYA MIDDLE EAST FZE

Financial statements and independent auditor's report

Year ended 31 March 2020

KAYA MIDDLE EAST FZE

Financial statements and independent auditor's report
Year ended 31 March 2020

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PKF - Sharjah Branch
بيه كي إف – فرع الشارقة

PKF
Accountants & business advisers

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of KAYA MIDDLE EAST FZE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KAYA MIDDLE EAST FZE** (the "Establishment"), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Establishment as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Establishment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matter**
Revenue	
The Establishment reported a revenue of AED 89 million from skin care treatments and aesthetics, and providing related advisory services.	Our audit procedures included a combination of controls testing, data analysis and other substantive procedures included, but were not limited to, the following:

continued…

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	How our audit addressed the key audit matter
We focused this area of the audit as there is an inherent risk related to the accuracy and completeness of revenue recognised given the complexity of the systems and changing mix of products and services, including a variety of plans available for customers. Due to the estimates made, complexities involved and judgements applied in the revenue process, we have considered this matter as a key audit matter.	• obtaining an understanding of the significant revenue processes including performance of an end to end walkthrough of the revenue process and identifying the relevant controls (including Information Technology ("IT") systems, interfaces, revenue assurance and reports); • Reviewing the control environment and tested internal controls over the completeness, accuracy and occurrence of revenue recognised, and testing the design, implementation and the operating effectiveness of the relevant controls; • involving our internal IT specialists to test IT general controls, system interfaces, data/information reporting and application specific controls surrounding relevant revenue systems; • Testing revenue on sample basis for their occurrence, accuracy and recognition, and the accounting treatments adopted and revenue recognised during the year; • performing data analysis and substantive analytical reviews of significant revenue streams to identify inconsistencies and/or unusual movements during the year; • Selected a sample of transactions before and after the year to verify recognition in the current reporting period; • reviewing key reconciliations performed by the Revenue Assurance team; • performing specific procedures to test the accuracy and completeness of adjustments relating to grossing up certain revenue and costs; • performing procedures to determine if the revenue recognition criteria adopted for all major revenue streams are consistent, appropriate, and in accordance with IFRSs; and • assessing the disclosures in the financial statements relating to revenue as per the requirements of IFRSs.

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

<table>
<tr><th colspan="2">Impairment of goodwill</th></tr>
<tr><td>As at 31 March 2020, the Company has goodwill aggregating to AED 1.49 million. As required by IAS 36 – Impairment of Assets, the Company is required to test goodwill acquired in a business combination for impairment at least annually irrespective of whether there is any indication of impairment.

An impairment is recognised on the consolidated statement of financial position when the recoverable amount is less than the net carrying amount in accordance with IAS 36, as described in Note 3 to the consolidated financial statements.

The determination of the recoverable amount is mainly based on discounted future cash flows. We considered the impairment of goodwill to be a key audit matter, given the method for determining the recoverable amount and the significance of the amount in the Group's consolidated financial statements.

In addition, the recoverable amounts are based on the use of important assumptions, estimates or assessments made by management, in particular future cash flow projections, the estimate of the discount rates and long-term growth rates.</td><td>Our audit procedures performed in relation to the assessment of impairment of goodwill included, but were not limited to, the following:

• understanding the business process for the impairment assessment, identifying the relevant internal controls and testing their design, implementation and operating effectiveness of controls over the impairment assessment process, including indicators of impairment;
• evaluating whether the cash flows in the models used by management to calculate the recoverable value are in accordance with IAS 36 Impairment of Assets;
• obtaining and analysing the approved business plans for each such asset (or CGU, as applicable) to assess accuracy of the computations and the overall reasonableness of key assumptions;
• comparing actual historical cash flow results with previous forecasts to assess forecasting accuracy;
• assessing the methodology used by the Company to estimate the Weighted Average Cost of Capital (WACC) and benchmarking that with discount rates used by other similar businesses external sector related guidelines;
• benchmarking assumptions on long term growth rates of local GDP and long-term inflation expectations with external sources of data published by global monetary agencies, and benchmarking the values with market multiples where applicable;
• performing sensitivity analysis on the key assumptions used by management to understand the extent to which these assumptions need to be adjusted before resulting in additional impairment loss;
• involvement of our internal valuation experts to support us in assessing the assumptions and methodologies used by the Company, in particular, those relating to discount rates and forecasted revenue growth for the cash generating units; and
• assessing the adequacy of the disclosures in the financial statements as per IFRS, and about those assumptions, to which the outcome of the impairment test is most sensitive.</td></tr>
</table>

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

Leases	
The Company has adopted IFRS 16 at 1 April 2019 using the modified retrospective application with the cumulative effect of initially applying the standard adjusted in the opening retained earnings. Therefore, the comparative financial information has not been restated. As at 31 March 2020, in the statement of financial position, the right of use assets is carried at AED 20.6 million which represents 29 % of the total assets. Management's assessment process in determining the incremental borrowing rate and the extension/termination option is highly judgmental, and is based on management assumption and business plans. The impact of adoption at the transition date is disclosed in Note 2(d) of the financial statements.	Our audit procedures performed in relation to the adoption IFRS 16 – includes: • Reviewed the Company's implementation of IFRS 16, including the recognition of effect on opening equity and change in accounting policy and disclosures in the financial statements. • Reviewed the accounting policy, the effect on opening equity and disclosures including the key accounting estimates and judgments made by the management. • Verified on a sample basis, the accuracy of the lease data to the original contract and the assumptions used to determine the estimates are appropriate; • Verified on a sample basis, the calculation of the lease liabilities and the right of use assets are appropriate; and • Assessed the adequacy of the Company's disclosures in the financial statements in connection with the right of use assets and related lease liabilities.

Emphasis of matter

We draw attention to Note 2 (c) to the financial statements which states that, during the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Establishment's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event.

Further, the Establishment incurred a loss of AED 9,063,414 for the year ended 31 March 2020 and at that date, the Establishment has accumulated losses of AED 45,617,163 and its current liabilities exceed its current assets by AED 9,394,250.

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

Our opinion is not modified in respect of this matter.

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 Establishment's internal control.

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Establishment to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements

As stated in Note 22 to the financial statements, the net assets of the Establishment are below 75% of its share capital. In accordance with the Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995, the Directors are required to take steps to intimate the Hamriya Free Zone Authority and remedy the situation. We have been informed that the Directors will intimate the Free Zone Authorities and take steps to remedy the situation.

We further confirm that the financial statements comply with the Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995.

For **PKF**

AUDITORS PKF U.A.E.

V.M. Joshi
Auditor registration no. 1200
Sharjah
United Arab Emirates
9 June 2020

KAYA MIDDLE EAST FZE

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 AED	2019 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	42,189,521	26,069,007
Intangible assets	7	1,907,675	2,099,879
Capital advance	8	181,707	369,004
		44,278,903	28,537,890
Current assets			
Inventories	9	2,743,455	4,191,806
Deposits and other receivables	10	2,500,348	4,358,441
Other current assets	11	3,740,632	8,022,379
Due from related parties	12	16,329,564	17,946,939
Cash and cash equivalents	13	1,285,299	4,691,590
Other current financial asset	14	50,000	50,000
		26,649,298	39,261,155
Total assets		70,928,201	67,799,045
EQUITY AND LIABILITIES			
Equity funds			
Share capital	15	55,600,000	55,600,000
Capital reserve		4,577,103	4,577,103
Accumulated losses		(45,617,163)	(35,534,584)
Total equity funds		14,559,940	24,642,519
Non-current liabilities			
Provision for end-of-service benefits	16	4,956,614	4,361,466
Lease liabilities	17	15,368,099	--
		20,324,713	4,361,466
Current liabilities			
Bank borrowings	18	--	4,747,017
Trade and other payables	19	7,438,108	10,402,587
Other current liabilities	20	3,967,702	4,627,694
Due to a related party	12	1,781,307	971,628
Contract liabilities	21	16,715,904	18,046,134
Lease liabilities	17	6,140,527	--
		36,043,548	38,795,060
Total liabilities		56,368,261	43,156,526
Total equity and liabilities		70,928,201	67,799,045

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 6.

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

Approved and authorised for issue by the shareholders on 2 June 2020 and signed on their behalf by Mr. Vikas Agarwal.

For **KAYA MIDDLE EAST FZE**

Vikas

DIRECTOR

AUDITORS PKF U.A.E.

KAYA MIDDLE EAST FZE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 AED	2019 AED
Revenue	23	89,443,072	100,111,103
Purchase of inventories		(13,089,797)	(14,580,101)
Changes in inventories		(1,532,660)	(898,956)
Gross profit		74,820,615	84,632,046
Other operating income	24	85,357	1,549
Staff costs	25	(42,399,059)	(42,500,170)
Depreciation and amortisation	26	(13,788,119)	(5,488,264)
Other operating expenses	27	(25,578,345)	(36,336,712)
Allowance for expected credit losses	28	(41,179)	--
Interest income	29	241,029	110,295
Finance costs	30	(2,403,713)	(907,146)
LOSS FOR THE YEAR		(9,063,414)	(488,402)
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(9,063,414)	(488,402)

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 6.

KAYA MIDDLE EAST FZE

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Share capital AED	Capital reserve AED	Accumulated losses AED	Total AED
Balance at 1 April 2018	55,600,000	4,302,793	(35,046,182)	24,856,611
Total comprehensive income for the year	--	--	(488,402)	(488,402)
Transfers	--	274,310	--	274,310
Balance at 31 March 2019 (as originally presented)	55,600,000	4,577,103	(35,534,584)	24,642,519
Adjustment on account of adoption of IFRS 16 [Note 2(d)]	--	--	(1,019,165)	(1,019,165)
Restated balance at 1 April 2019	55,600,000	4,577,103	(36,553,749)	23,623,354
Total comprehensive income for the year	--	--	(9,063,414)	(9,063,414)
Balance at 31 March 2020	**55,600,000**	**4,577,103**	**(45,617,163)**	**14,559,940**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 6.

KAYA MIDDLE EAST FZE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 AED	2019 AED
Cash flows from operating activities		
Loss for the year	(9,063,414)	(488,402)
Adjustments for:		
Depreciation of property, plant and equipment	13,420,272	5,352,739
Amortisation of intangible assets	367,847	135,525
Interest income	(241,029)	(110,295)
Finance costs	2,403,713	907,146
Property, plant and equipment written off	132,887	--
Debit balances written off	668	1,719,938
Deposits written off	102,593	
Credit balances written back	(26,648)	
Provision for slow moving inventory	83,792	72,494
Loss on disposal of property, plant and equipment	--	2,125
Provisions written back	(51,863)	--
Allowance for expected credit losses	41,179	--
Provision for end-of-service benefits	1,250,147	814,168
Provision for employee stock option plan	25,611	23,680
	8,445,755	8,429,118
Changes in:		
- Inventories	1,364,559	506,790
- Deposits and other receivables	1,551,948	108,342
- Other current assets	3,409,240	(629,560)
- Trade and other payables	(2,885,968)	(7,569,944)
- Other current liabilities	(659,992)	(770,494)
- Contract liabilities	(1,330,230)	6,100,447
Staff end-of-service benefits paid	(654,999)	(1,105,706)
Cash generated from operating activities	9,240,313	5,068,993
Interest paid	(2,403,713)	(907,146)
Net cash from operating activities	6,836,600	4,161,847
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(1,912,719)	(11,672,435)
Payments for capital work-in-progress	(175,643)	--
Proceed from disposal of property, plant and equipment	--	8,514
Payments for capital advance	(181,707)	(369,004)
Receipts from related parties (net)	1,576,196	15,215,908
Interest received	241,029	110,295
Net cash (used in)/from investing activities	(452,844)	3,293,278
Cash flows from financing activities		
Payment of bank overdraft	--	51,186
Payment of bank loan	(4,747,017)	(6,005,886)
Receipts from a related party (net)	784,068	38,723
Payments of lease liabilities	(5,827,098)	--
Net cash used in financing activities	(9,790,047)	(5,915,977)
Net (decrease)/increase in cash and cash equivalents	(3,406,291)	1,539,148
Cash and cash equivalents at the beginning of the year	4,691,590	3,152,442
Cash and cash equivalents at the end of the year (note 13)	1,285,299	4,691,590

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 6.

AUDITORS PKF U.A.E.

1. **LEGAL STATUS AND BUSINESS ACTIVITY**

a) **KAYA MIDDLE EAST FZE** (the "Establishment") is a Free Zone Establishment with limited liability registered on 25 December 2005 in Sharjah Hamriyah Free Zone, United Arab Emirates, pursuant to Emirate Decree No 6 of 1995 of H.H. Sheikh Dr. Sultan Bin Mohammed Al-Qassimi, Ruler of Sharjah. The principal place of business is PO Box: 41756, Sharjah, UAE.

During the previous year, effective 29 April 2018, the status of the Establishment was changed to a free zone establishment from free zone company consequent to the transfer of shares and amendment to the Memorandum of Association. Further, the name of the Establishment was changed from Kaya Middle East FZC to Kaya Middle East FZE.

b) The Establishment is engaged in the business of providing products and services in the area of skin care treatment and aesthetics; import, export and trading in skin care machinery, consumables and products and providing related advisory services.

c) These financial statements include assets, liabilities and the result of operations of skin care clinics operating in the United Arab Emirates, Sultanate of Oman and Kingdom of Saudi Arabia under the local sponsorship arrangements.

d) The Establishment is wholly owned subsidiary of KME Holdings Pte Limited (the "parent company"), a company registered in Singapore. The ultimate parent company is Kaya Limited (the "ultimate parent company"), a company registered in India which is listed on Bombay Stock Exchange and National Stock Exchange.

2. **BASIS OF PREPARATION**

a) **Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 January 2019, and the requirements of the implementing rules and regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995.

b) **Basis of measurement**

The financial statements are prepared using historical cost.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) **Going concern**

The financial statements are prepared on a going concern basis.

AUDITORS PKF U.A.E.

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

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Establishment's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event. However, the extent to which the Covid-19 may impact the operating results, financial position, and cash flows will depend on future events, which are highly uncertain and an estimate of the potential impact cannot made as of the date of these financial statements (refer note 35).

Further, the Establishment incurred a loss of AED 9,063,414 for the year ended 31 March 2020 and at that date, the Establishment has accumulated losses of AED 45,617,163 and its current liabilities exceeds its current assets by AED 9,394,250.

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

Since the net assets of the Establishment are below 75% of its share capital, as required by the Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995, the Directors will intimate the Free Zone Authorities and take steps to remedy the situation.

d) **Adoption of new International Financial Reporting Standards**

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

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures

- Annual Improvements 2015-2017 Cycle:
  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

The impact of adoption of the above standard, amendments, improvements and interpretation and the new accounting policies are explained below in more detail:

IFRS 16: Leases

Impact of adoption

IFRS 16 was issued in January 2016 and is effective for annual periods beginning on or after 1 April 2019, which supersedes the previous guidance in IAS 17 leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. The standard requires lessees to account for most leases under a single on-balance sheet model and sets out the principles for the recognition, measurement, presentation and disclosure of leases. Lessor accounting remains similar to previous accounting policies. Lessors will continue to classify leases as either operating or finance leases using similar principals as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Establishment is the lessor.

The Establishment has adopted modified retrospective transition approach permitted by IFRS 16 with the date of initial adoption of 1 April 2019. Accordingly, the comparative information has not been restated. The Establishment has elected to measure the Right-of-Use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Based on the approach adopted the Establishment has made adjustments impacting the accumulated losses as on 1 April 2019. On transition to IFRS 16, the Establishment applied the standard only to those contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed after 1 April 2019.

In applying IFRS 16 for the first time, the Establishment also applied the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- reliance on previous assessments on whether leases are onerous; the election, by class of underlying asset, not to separate non-lease components from lease components, and instead for each lease component and any associated non-lease components as a single lease component.

AUDITORS PKF U.A.E.

- exemptions to operating leases with a remaining lease term of less than 12 months at the date of initial application.
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table summarises the impact of transition to IFRS 16 on opening balances as at 1 April 2019:

	As at 1 April 2019		
	As originally presented	**Impact on remeasurement under IFRS 16**	**Restated under IFRS 16**
	AED	**AED**	**AED**
Non-current assets			
Property, plant and equipment	26,069,007	16,605,300	42,674,307
Current assets			
Prepayments	5,423,892	(1,410,330)	4,013,562
Non-current liabilities			
Lease liabilities	--	10,387,037	10,387,037
Current liabilities			
Lease liabilities	--	5,827,098	5,827,098
Total liabilities	**--**	**16,214,135**	**16,214,135**
Accumulated losses	**(35,534,584)**	**(1,019,165)**	**(36,553,749)**

With regard to the impact for current year, the Establishment has recognised depreciation and interest expense, instead of lease expenses. Accordingly, the Establishment has recognised AED 6,785,729 of depreciation charge and AED 1,536,291 of interest expense on these leases. The Establishment has presented right-of-use assets within 'Property, Plant and Equipment' and lease liabilities under current and non-current liabilities in the statement of financial position. Adoption of IFRS 16 has also impacted the presentation in the statement of cash flows.

The off-balance sheet obligations as of 31 March 2019 are reconciled as follows to the recognised lease liabilities as at 1 April 2019.

	AED
Total operating lease commitments as of 31 March 2019	**17,619,182**
Discounted using incremental borrowing rate - 6.25%	**(1,405,047)**
Total lease liabilities recognised as at 1 April 2019	**16,214,135**

IFRS 16 accounting policies

The application of the new standard required the management to apply the new accounting policy, which is summarised in note 3 (i) to the financial statements under significant accounting policies.

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Other amendments, improvements and interpretation

The following amendments, improvements and interpretation which became effective 1 January 2019, did not have any significant impact on the Establishment's financial statements:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations

  - IFRS 11 Joint Arrangements

  - IAS 12 Income Taxes

  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

New and revised IFRSs in issue but not yet effective

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

- Amendments IFRS 3: Definition of a Business (1 January 2020)

- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)

- The Conceptual Framework for Financial Reporting (1 January 2020)

- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold to an associate or a joint venture (The IASB postponed the effective date of this amendment indefinitely).

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Establishment's functional currency.

3. **SIGNIFICANT ACCOUNTING POLICIES**

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

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a) **Property, plant and equipment**

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

Right of use assets	1 – 7 years
Plant and machinery	3 - 7 years
Furniture, fixtures and office equipment	2 - 7 years
Motor vehicles	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Establishment and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Establishment recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

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

b) **Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment losses. The cost of computer software is amortised over 7 years.

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

Intangible assets with indefinite useful lives are not amortised as the Establishment does not identify any foreseeable limit on the benefits embodied with such rights. Consequently, these are tested annually for impairment and carried at cost less accumulated impairment losses.

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Goodwill represents the excess of the cost of an acquisition over the fair value of the Establishment's share of the net identifiable assets of the acquired clinics as of the date of the acquisition. Goodwill on acquisitions of clinics is included in 'intangible assets'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Capital work-in-progress is stated at cost less any impairment losses and is not amortised. This will be amortised from the date the relevant assets are ready for use.

c) **Impairment of tangible and intangible assets excluding goodwill**

At each reporting date, the management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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d) **Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost is arrived at using the Weighted Average Cost (WAC) method and comprises invoice value plus applicable landing charges less discounts. Net realizable value is based on estimated selling price less any estimated cost of completion and disposal.

e) **Staff end-of-service benefits**

Provision is made for end-of-service benefits payable to non-UAE national employees at the reporting date in accordance with the local labour laws.

f) **Share based payments**

Incentives in the form of share-based payment compensation benefits are provided to executives under an employee stock option scheme as approved by the Directors.

Options are fair valued at the grant date in accordance with IFRS 2: Share Based Payments by approved valuers. The cost of equity settled transactions is recognised together with the corresponding increase in equity on a straight-line basis over the period in which the performance conditions are fulfilled, ending on the date the employee becomes fully entitled for the award (“vesting date”).

g) **Revenue recognition**

The Establishment is engaged in the business of providing products and services in the area of skin care treatment and aesthetics; import, export and trading in skin care machinery, consumables and products and providing related advisory services.

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

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Establishment will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.

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5. Recognise revenue when (or as) the Establishment satisfies a performance obligation at a point in time or over time.

The Establishment is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

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

The Establishment considers whether there are other promises in the contract that are separate performance obligations to which a portion of transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Establishment considers the effect of significant financing components.

The Establishment receives short-term advance from its customers. As the period between the transfer of promised goods or services to the customer and when the customer pays for those goods or services is expected to be less than one year, the Establishment has used the practical expedient in IFRS 15 and not adjusted the consideration for significant financing component.

Sale of services
The Establishment provides services that are either sold separately or bundled together with the sale of goods. The services can be obtained from other providers and do not significantly modify or customise the goods.

Contracts for composite sale of goods and services comprise of two performance obligations because the promise to transfer the goods and promise to provide services are capable of been distinct and separately identifiable. The Establishment allocates the transaction price based on the relative stand-alone selling prices of the goods and services.

The Establishment has concluded that revenue from sale of services should be recognised over time using output method, if one of the following criteria is met:

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

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For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

h) **Contract liabilities**

A contract liability is the obligation to provide services to a customer for which the Establishment has received consideration from the customer. If a customer pays consideration before the Establishment provides services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Establishment performs under the contract.

i) **Leases**

As a lessee

The Establishment leases its clinic premises. Rental contracts are typically made for fixed periods of 1 to 7 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

Set out below are the new accounting policies of the Establishment upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

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

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

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

Lease liabilities

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

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

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

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

j) **Cash and cash equivalents**
Cash and cash equivalents comprise cash, bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value net of temporary bank overdrafts.

k) **Foreign currency transactions**
Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

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

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

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

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

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

m) **Royalty expenses**

Royalty expenses represents fees charged by a related party at 2.5% of the net revenue as per the terms of agreement.

n) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from 1 January 2018, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Establishment is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

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

The Establishment presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Establishment classifies all other liabilities as non-current.

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p) **Financial instruments**

Classification

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

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

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

Financial liabilities are classified as financial liabilities at FVTPL or at amortised cost. The Establishment determines the classification of its financial liabilities at initial recognition.

Recognition

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

Derecognition

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

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

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

Measurement

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

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

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

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

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

The financial assets at amortised cost comprise of deposits and other receivables, due from related parties, other current financial asset and cash and cash equivalents.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

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

Impairment of financial assets
Loss allowances are measured on either of the following basis:

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

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

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

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

The Establishment assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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

- The borrower is unlikely to pay its credit obligations to the Establishment in full, without recourse by the Establishment to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

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

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset. For financial assets carried at FVTOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Offsetting

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 the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Equity

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

q) **Fair value measurement**

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

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

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

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

4. **SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Classification of financial assets

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

Impairment

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

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

Leases

Determining the lease term

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

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

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The right-of-use assets and lease liabilities recognised as at 1 April 2019 are mainly determined based on the Group's expected lease renewal terms derived primarily from the Group's long-term business plans.

Discounting of lease payments
The lease payments are discounted using the Establishment's incremental borrowing rate ("IBR"), which is 6.25%, due to the absence of implicit rates in the lease contracts.

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

Recognition of revenue and allocation of transaction price
Identification of performance obligations
Contract revenue is recognized over time as performance obligations are fulfilled in accordance with IFRS 15 – Revenue from Contracts with Customers.

Determine timing of satisfaction of performance obligation
The Establishment concluded that the revenue from sales of goods is to be recognised at a point in time when the control of the goods has transferred to the customers. Payment of the transaction price is due immediately at the point the customer purchases the goods.

The Establishment concluded that revenue from services is to be recognized over time as the customer simultaneously receives the benefit as the session is consumed.

The transaction price is allocated to each performance obligations on a relative standalone selling price basis. Management estimates the standalone selling price at contract inception based on observable prices of the type of contract and the services rendered in similar circumstances to similar customers.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

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

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Inventory provisions

Management regularly undertakes a review of the Establishment's inventory, stated at AED 2,847,707 (previous year AED 4,380,367) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

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

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(p).

Staff end-of-service benefits

The Establishment computes the provision for the liability to staff end-of-service benefits stated at AED 4,956,614 (previous year AED 4,361,466), assuming that all employees were to leave as of the reporting date and is based on the local labour laws.

Going concern assumption

The management has performed the preliminary assessment of the Establishment's ability to continue as a going concern, which covers a period of twelve months from the reporting date. The Establishment's management has prepared its business forecast and the cash flow projections for the twelve months from the reporting date on a conservative basis. These forecasts have been prepared taking into consideration the nature and condition of its business, the degree to which it is affected by external factors and other financial and non-financial data available at the time of preparation of such forecasts. The uncertainty due to recent Covid-19 on outbreak with regard to the future impact on the Establishment's business performance has been considered as part of management's assessment of the Establishment's ability to continue as a going concern. The management considered several foreseeable areas of operational risk and implemented various measures to ensure the continuity of the operations, which include reviewing operating expenses, deferring non-essential capital expenditure, evaluating terms and conditions with suppliers and ensuring continued financial support to enable Establishment to discharge its liabilities as and when they fall due. Management believes that the Establishment's success in achieving these steps depend on the realisation of its cash flow projections based on the above operating and financial assumptions, and the ability of the Establishment to cope with the lock-down situation. Due to the unprecedented nature of the crisis, the lack of enough historical data, the low visibility and the high uncertainty related to its evolution, its duration and its impact on the economy in general and the business in particular, it is difficult to make the quantification of its adverse negative impact, if any on the business at this stage as the outcome is dependent on future events which are uncertain.

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6. PROPERTY, PLANT AND EQUIPMENT

	Capital work-in-progress	Right-of-use assets (s)	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Total [Note 34]
	AED	AED	AED	AED	AED	AED
Cost						
At 1 April 2018	310,523	--	30,947,987	23,317,172	234,903	54,810,585
Additions	121,717	--	3,286,063	10,068,099	--	13,475,879
Disposals	--	--	(403,656)	(978,053)	(39,161)	(1,420,870)
Transfers	(431,927)	--	7,400	424,527	--	--
At 31 March 2019	313	--	33,837,794	32,831,745	195,742	66,865,594
Adjustment on account of adoption of IFRS 16: Leases	--	25,279,041	--	--	--	25,279,041
At 1 April 2019	313	25,279,041	33,837,794	32,831,745	195,742	92,144,635
Additions	--	--	1,348,916	563,803	--	1,912,719
Modifications to leases	--	10,786,650	--	--	--	10,786,650
Assets written off	--	--	(181,171)	(559,682)	--	(740,853)
Transfer from capital advanc	--	--	--	369,004	--	369,004
Transfers	(313)	--	--	313	--	--
At 31 March 2020	**--**	**36,065,691**	**35,005,539**	**33,205,183**	**195,742**	**104,472,155**
Accumulated depreciation and impairment losses						
At 1 April 2018	--	--	20,588,141	16,112,297	153,641	36,854,079
Depreciation	--	--	2,902,163	2,410,400	40,176	5,352,739
Adjustment relating to disposal	--	--	(1,020,859)	(359,349)	(30,023)	(1,410,231)
As at 31 March 2019	--	--	22,469,445	18,163,348	163,794	40,796,587
Adjustment on account of adoption of IFRS 16: Leases	--	8,673,741	--	--	--	8,673,741
At 1 April 2019	--	8,673,741	22,469,445	18,163,348	163,794	49,470,328
Depreciation	--	6,785,729	3,564,885	3,057,956	11,702	13,420,272
Adjustment on assets written off	--	--	(95,483)	(512,483)	--	(607,966)
At 31 March 2020	**--**	**15,459,470**	**25,938,847**	**20,708,821**	**175,496**	**62,282,634**
Carrying amount						
At 1 April 2018	310,523	--	10,359,846	7,204,875	81,262	17,956,506
At 31 March 2019	313	--	11,368,349	14,668,397	31,948	26,069,007
At 31 March 2020	**--**	**20,606,221**	**9,066,692**	**12,496,362**	**20,246**	**42,189,521**

(a) Right-of-use assets represents right of use of clinic premises [refer note 3(i)] The leases are for a period of 1 to 7 years.

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7. INTANGIBLE ASSETS

	Capital work-in-progress[a]	Computer software	Goodwill[b]	Total
	AED	AED	AED	AED
Cost				
At 1 April 2018, 31 March 2019	--	948,391	1,496,312	2,444,703
Additions	175,643	--	--	175,643
At 31 March 2020	**175,643**	**948,391**	**1,496,312**	**2,620,346**
Accumulated amortisation				
At 1 April 2018	--	209,299	--	209,299
Amortisation	--	135,525	--	135,525
At 31 March 2019	--	344,824	--	344,824
Amortisation	--	367,847	--	367,847
At 31 March 2020	**--**	**712,671**	**--**	**712,671**
Carrying amount				
At 1 April 2018	--	739,092	1,496,312	2,235,404
At 31 March 2019	--	603,567	1,496,312	2,099,879
At 31 March 2020	**175,643**	**235,720**	**1,496,312**	**1,907,675**

(a) Capital work-in-progress, at the year-end, represents amount paid for the installation of a new software.

(b) Goodwill represents the excess consideration transferred over and above the fair values of the identifiable net assets acquired on acquisition of clinic in Fujairah, UAE.

8. CAPITAL ADVANCE [a]

	2020	2019
	AED	AED
Opening	**369,004**	1,803,444
Addition	**181,707**	369,004
Less: transfer to property, plant and equipment (note	**(369,004)**	(1,803,444)
	181,707	369,004

a) Capital advance represents advance towards refurbishment of clinic and purchase of plant and machinery

9. INVENTORIES

	2020	2019
Retail and consumables	**2,847,707**	4,380,367
Less: provision for slow moving and expired inventories	**(104,252)**	(188,561)
	2,743,455	4,191,806

A reconciliation of the movements in the provision for slow moving inventories is as follows:

	2020 AED	2019 AED
Opening balance	**188,561**	303,564
Provisions made during the year	**83,792**	72,494
Inventories written off	**(168,101)**	(187,497)
Closing balance	**104,252**	188,561

10. **DEPOSITS AND OTHER RECEIVABLES**

	2020 AED	2019 AED
Deposits	**2,070,579**	2,685,249
Staff advances	**429,390**	1,329,222
Other receivables	**379**	343,970
	2,500,348	4,358,441

11. **OTHER CURRENT ASSETS**

	2020 AED	2019 AED
Prepayments	**1,654,809**	5,423,892
Advance for goods and services	**2,085,823**	2,598,487
	3,740,632	8,022,379

12. **RELATED PARTIES**

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

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

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

	Ultimate parent company AED	Parent company AED	Fellow subsidiaries AED	Key management personnel AED	Total 2020 AED	Total 2019 AED
Included in deposits and other receivables	--	--	--	10,771	**10,771**	
	--	--	--	8,591		8,591
Due from related parties [(a)]	--	1,183,751	15,145,813	--	**16,329,564**	
	--	3,030,656	14,916,283	--		17,946,939
Due to a related party	1,781,307	--	--	--	**1,781,307**	
	971,628	--	--	--		971,628

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	2020 AED	2019 AED
(a) AMOUNTS DUE FROM RELATED PARTIES		
Amounts due from related parties	**16,370,743**	17,946,939
Less: Allowance for expected credit losses on due from related parties	**(41,179)**	--
	16,329,564	17,946,939

A reconciliation of the movements in the allowance for expected credit losses on amounts due from related parties is as follows:

	2020 AED	2019 AED
Opening balance	**--**	--
Provisions made during the year	**41,179**	--
Closing balance	**41,179**	--

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 31.

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

	Ultimate parent company AED	Fellow subsidiaries AED	Key management personnel AED	Total 2020 AED	Total 2019 AED
Revenue	--	105,169	--	**105,169**	
	--	202,995	--		202,995
Purchases	190,751	--	--	**190,751**	
	447,379	--	--		447,379
Recharge of expenses	576,669	--	--	**576,669**	
	745,847	--	--		745,847
Royalty expenses	2,228,646	--	--	**2,228,646**	
	--	--	--		--
Recharge of finance cost by a related party	--	805,102	--	**805,102**	
	--	837,909	--		837,909
Recharge of finance cost to a related party	--	162,858	--	**162,858**	
	--	747,488	--		747,488
Allowance for expected credit losses	**--**	41,179	**--**	**41,179**	
	--	--	--		--
Staff salaries	--	--	1,889,083	**1,889,083**	
	--	--	1,469,012		1,469,012
End of service benefits	--	--	94,789	**94,789**	
	--	--	37,241		37,241
Employee ESOP plan	--	--	25,611	**25,611**	
	--	--	23,680		23,680

The Establishment also receives funds from/provides funds to related parties as working capital facilities, a part of which is at fixed rate of interest.

		2020	2019
		AED	AED
13.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	60,819	439,937
	Current accounts	1,224,480	4,251,653
		1,285,299	4,691,590
14.	**OTHER CURRENT FINANCIAL ASSET**		
	Restricted cash margin	50,000	50,000

Held by bank as security against letter of credit issued on behalf of the Establishment in the normal course of business (refer note 33).

15.	**SHARE CAPITAL**		
	Issued and paid up		
	55,600 shares of AED 1,000 each	55,600,000	55,600,000

The shareholder at 31 March 2020 and 31 March 2019 and their interest in share capital of the Establishment was as follows:

Name of the shareholder	As of 31.03.2020		As of 31.03.2019	
	No. of shares	AED	No. of shares	AED
KME Holding Pte Ltd.	55,600	55,600,000	55,600	55,600,000

During the previous year, effective 29 April 2018, the status of the Establishment was changed to a free zone establishment from free zone company consequent to the transfer of shares and amendment to the Memorandum of Association. Further, the name of the Establishment was changed from Kaya Middle East FZC to Kaya Middle East FZE.

		2020	2019
		AED	AED
16.	**PROVISION FOR STAFF END-OF-SERVICE BENEFITS**		
	Opening balance	4,361,466	4,653,004
	Provision for the year	1,250,147	814,168
	Paid during the year	(654,999)	(1,105,706)
	Closing balance	4,956,614	4,361,466
17.	**LEASE LIABILITIES**		
	Lease liabilities for long term lease of clinic premises	21,508,626	--

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

	2020 AED	2019 AED
Opening balance	--	--
Adjustment as at 1 April 2019 (upon adoption of IFRS 16)	16,214,135	--
Modifications to leases	11,121,589	--
Payments made during the year	(5,827,098)	--
Closing balance	21,508,626	--

Disclosed in the statement of financial position as follows:

Disclosed as:		
Non-current liabilities	15,368,099	--
Current liabilities	6,140,527	--
	21,508,626	--

A maturity analysis of lease liabilities are as follows:

0 – 1 month	391,294	--
1 – 3 months	1,986,836	--
3 months – 1 year	3,762,397	--
Presented as current liabilities	6,140,527	--
1 year – 5 years	15,368,099	--
Total	21,508,626	--

18. BANK BORROWINGS

Current portion of long-term loans	--	4,747,017

Bank loan carried interest at LIBOR plus 2.75%. The loan was repayable in twelve quarterly instalments of AED 1.5 million along with interest commencing from 29 November 2016. The loan was repaid in full during the year.

Bank facilities were obtained jointly with related party and were secured by:

- Assignment of credit card receivables.
- Pledge and assignment over bank accounts and acknowledgement of assignment from the Establishment.
- Corporate guarantees by Kaya Limited.
- Mortgage over office owned by a related party located in Mazaya Business Avenue.

The bank facilities and loans were subject to certain financial covenants including debt to net worth ratio, debt coverage ratio and debt service coverage ratio.

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A maturity analysis of total bank borrowings is as follows:

	2020 AED	2019 AED
1 – 3 months	--	1,499,254
3 months – 1 year	--	3,247,763
Presented as current liabilities	--	4,747,017

19. TRADE AND OTHER PAYABLES

	2020	2019
Trade payables	3,616,141	6,972,418
Accruals	2,536,933	2,120,156
Other payables	1,285,034	1,310,013
	7,438,108	10,402,587

The entire trade and other payables are due for payment in one year.

20. OTHER CURRENT LIABILTIES

	2020	2019
Staff accruals	2,470,078	1,563,930
VAT payable (net)	456,055	349,264
Other liabilities	1,041,569	2,714,500
	3,967,702	4,627,694

21. CONTRACT LIABILITIES

	2020	2019
Contract liabilities	16,715,904	18,046,134
Disclosed as:		
Current contract liabilities	16,715,904	18,046,134

22. MANAGEMENT OF CAPITAL

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

Capital, which is unchanged from the previous year, comprises equity funds as presented in the statement of financial position, together with due to/due from related parties. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The Establishment is subject to externally imposed capital requirements as per bank facilities availed and the provision of Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995.

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As the net assets of the Establishment are below 75% of its share capital, the Directors are required to take steps to intimate the Hamriya Free Zone Authorities, in accordance with the Implementing Rules and Regulations issued by the Hamriya Free Zone Authority pursuant to Sharjah Emiree Decree No. 6 of 1995. The Directors will intimate the Free Zone Authorities and initiate steps to remedy the situation.

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

23. REVENUE

The Establishment generates revenue from sale of goods and rendering services at a point in time and over a period of time respectively. The disaggregated revenue from contracts with customers by geographical segments, type of goods/service lines and timing of revenue recognition are presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Establishment's revenue and cash flows.

	2020 AED	2019 AED
Primary Geographical segments		
- U.A.E.	**68,049,524**	77,913,574
- Other Middle east countries	**21,393,548**	22,197,529
	89,443,072	100,111,103
Major goods/service lines		
- Products	**7,740,740**	9,017,590
- Services	**81,702,332**	91,093,513
	89,443,072	100,111,103
Timing of revenue recognition		
- At a point in time	**7,740,740**	9,017,590
- Over period of time	**81,702,332**	91,093,513
	89,443,072	100,111,103

24. OTHER OPERATING INCOME

	2020 AED	2019 AED
Provisions written back	**51,863**	--
Credit balances written back	**26,648**	--
Other miscellaneous income	**6,846**	1,549
	85,357	1,549

25. STAFF COSTS

	2020 AED	2019 AED
Staff salaries and benefits[a]	**41,123,301**	41,662,322
Staff end-of-service benefits[a]	**1,250,147**	814,168
Employee Stock Option Plan (ESOP) expenses[a]	**25,611**	23,680
	42,399,059	42,500,170

(a) Includes staff salaries and benefits of AED 1,557,012 (previous year AED 1,298,376) staff end-of -service benefits of AED 87,949 (previous year AED 27,412) and employee stock option plan expenses of AED 25,611 (previous year AED 23,680) relating to key management personnel.

	2020 AED	2019 AED
26. DEPRECIATION AND AMORTISATION		
Depreciation of property, plant and equipment[(a)]	**13,420,272**	5,352,739
Amortisation of intangible assets	**367,847**	135,525
	13,788,119	5,488,264

(a) Includes depreciation on Right-of-Use asset of AED 6,785,729 (previous year AED Nil).

	2020 AED	2019 AED
27. OTHER OPERATING EXPENSES		
Loss on sale of property, plant and equipment	**--**	2,125
Assets written off	**132,887**	--
Deposits written off	**102,593**	--
Provision for slow moving inventories	**83,792**	72,494
Operating lease expenses	**3,212,374**	10,770,685
Electricity and water expenses	**742,170**	812,998
Repairs and maintenance	**2,761,341**	3,043,256
Advertisement	**3,931,643**	5,685,808
License fees	**937,562**	891,673
Communication expenses	**1,096,058**	1,343,865
Travelling expenses	**3,079,155**	3,329,964
Bank charges	**1,608,917**	1,771,859
Legal and professional charges	**4,642,624**	5,364,589
Royalty expenses	**2,228,646**	--
Debit balances written off	**668**	1,719,938
Other expenses	**1,017,915**	1,527,458
	25,578,345	36,336,712
28. ALLOWANCE FOR EXPECTED CREDIT LOSSES		
On amounts due from related parties	**41,179**	--
29. INTEREST INCOME		
On staff loans	**464**	2,694
On other balances	**240,565**	107,601
	241,029	110,295
30. FINANCE COSTS		
On bank loans and overdrafts[(a)]	**867,422**	907,146
On lease liabilities	**1,536,291**	--
	2,403,713	907,146

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(a) Includes finance costs recharged by a related party amounting to AED 805,102 (previous year AED 837,909) net of finance costs recharged to a related party amounting to AED 229,805 (previous year AED 747,488).

31. FINANCIAL INSTRUMENTS

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

	At amortised cost	
	2020	2019
	AED	AED
Financial assets		
Deposits and other receivables	2,500,348	4,358,441
Due from related parties	16,329,564	17,946,939
Cash and cash equivalents	1,285,299	4,691,590
Other current financial asset	50,000	50,000
	20,165,211	27,046,970
Financial liabilities		
Current bank borrowings	--	4,747,017
Trade and other payables	7,438,108	10,402,587
Due to a related party	1,781,307	971,628
Lease liabilities (current and non-current)	21,508,626	--
	30,728,041	16,121,232

Management of risks

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

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

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

Management continuously monitors its cash flows to determine its cash requirements in order to manage exposure to liquidity risk.

Exposures to the aforementioned risks are detailed below:

Credit risk

Financial assets that potentially expose the Establishment to concentrations of credit risk comprise principally bank accounts, deposits and other receivables, due from related parties and other current financial asset.

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The Establishment's bank accounts and other current financial asset are placed with high credit quality financial institutions.

Due from related parties are stated net of the allowance for doubtful recoveries.

At the reporting date 97% of due from related parties are due from two related parties (previous year 100% from two related parties).

At the reporting date, there is no significant concentration of credit risk from any particular industry as the Establishment's customers are mainly individuals.

Currency risk
There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk
At the reporting date, the Establishment is not exposed to any significant interest rate risk.

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

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

The following methods and assumptions were used to determine the fair values of other financial assets/liabilities:

- Fair values of non-current lease liabilities is estimated by discounting future cash flows using rates currently available for debts on similar items, credit risk and remaining maturities. As at the reporting date, the carrying amounts of such liabilities, are not materially different from their fair values.

		2020	2019
		AED	AED
32.	**CONTRACTUAL COMMITMENTS**		
	For purchase of property, plant and equipment (note 8)	37,502	--
33.	**CONTINGENT LIABILITIES**		
	Cash margin for clinic in Fujairah	50,000	50,000

34. COMPARATIVE INFORMATION

Apart from the specific reclassification disclosed below, previous year's figures have been regrouped/reclassified whenever necessary to make them comparable to those of current year:

	Reclassified from	Reclassified to	AED
Accumulated depreciation of plant and machinery	Accumulated depreciation of furniture, fixtures and office equipment	Accumulated depreciation of plant and machinery	1,445,565
Accumulated depreciation of motor vehicles	Accumulated depreciation of furniture, fixtures and office equipment	Accumulated depreciation of motor vehicles	16,026

35. SIGNIFICANT EVENTS

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these evets could impact the Establishment's financial results, cash flows and financial position during the financial year ending 31 March 2021 [note 2 (c)].

For **KAYA MIDDLE EAST FZE**

Vikas

DIRECTOR

AUDITORS PKF U.A.E.

KAYA MIDDLE EAST DMCC

Financial statements and independent auditor's report
Year ended 31 March 2020

KAYA MIDDLE EAST DMCC

Financial statements and independent auditor's report
Year ended 31 March 2020

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INDEPENDENT AUDITOR'S REPORT

To the shareholder of KAYA MIDDLE EAST DMCC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KAYA MIDDLE EAST DMCC** (the "Company"), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matter**
Impairment assessment of investments in subsidiaries	
As at 31 March 2020, the Company's investments in subsidiaries amounted to AED 22.50 million. During the financial year, the impairment indications were arising from the cash-generating unit ("CGU") in Iris Medical Center LLC after this CGU suffered consecutive losses over the years. Management had carried out an impairment assessment to determine whether the recoverable amount of the investment in subsidiary is less than the carrying amount.	Our procedures included, amongst others, the following: • Discussed with management and evaluated their assessment of the indication of the impairment loss; • Assessed the reasonableness of the key inputs to the impairment calculations considering our knowledge of the business; • Independently verified the external sources data used by the management in deriving the value-in-use;

continued...

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of investments in subsidiaries	
In the current financial year, the Company recognised an impairment of investment in subsidiary, Iris Medical Center LLC of AED 1,315,967. The impairment assessment of investments in subsidiaries involve application of significant management judgement and hence the matter has been considered as a key audit matter.	• Checked the mathematical accuracy of management's computation of the fair value less costs of disposal; and • Reviewed adequacy of the related disclosures in the financial statements.

Emphases of Matter

We draw attention to:

(a) Note 2(a) to the financial statements which states that these are the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries are presented separately.

(b) Note 2 (c) to the financial statements which states that, during the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Establishment's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event.

Further, the Company incurred a loss of AED 1,049,375 for the year ended 31 March 2020 and at that date, the Company's accumulated losses aggregated to AED 5,501,721 and at that date its current liabilities exceed its current assets by AED 21,687,724 and it had a net deficit of AED 2,601,721 in equity funds.

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

Our opinion is not modified with respect to these matters.

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INDEPENDENT AUDITOR'S REPORT
(continued)

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of Dubai Multi Commodities Centre DMCC Company Regulations, 2003, as amended by DMCC Regulation No. 1 of 2007, DMCC Regulation No. 1 of 2009 and DMCC Regulation No. 1 of 2013, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are responsible for 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

continued…

PKF
Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT
(continued)

- 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 gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements
We further confirm that the financial statements comply with the applicable provisions of Dubai Multi Commodities Centre DMCC Company Regulations, 2003, as amended by DMCC Regulation No. 1 of 2007, DMCC Regulation No. 1 of 2009 and DMCC Regulation No. 1 of 2013.

AUDITORS PKF U.A.E.

PKF
Dubai
United Arab Emirates
15 June 2020

KAYA MIDDLE EAST DMCC

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 AED	2019 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,008,503	4,467,225
Investment in subsidiaries	7	22,500,000	23,815,967
		25,508,503	28,283,192
Current assets			
Inventories	8	--	197,264
Deposits	9	--	33,000
Other current assets	10	30,151	31,806
Cash and cash equivalents	12	261,626	1,455,539
		291,777	1,717,609
Total assets		25,800,280	30,000,801
EQUITY AND LIABILITIES			
Shareholder's equity funds			
Share capital	13	2,900,000	50,000
Accumulated losses		(5,501,721)	(4,452,346)
Deficit in shareholder's equity funds		(2,601,721)	(4,402,346)
Non-current liabilities			
Long-term borrowings	14	6,422,500	10,092,500
Current liabilities			
Short-term borrowings	15	3,670,000	3,670,000
Trade and other payables	16	588,821	688,549
Due to related parties	11	17,720,680	19,952,098
		21,979,501	24,310,647
Total liabilities		28,402,001	34,403,147
Total liabilities net of deficit in shareholder's equity funds		25,800,280	30,000,801

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 4.

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

Approved and authorised for issue by the shareholder on 8 June 2020 and signed on their behalf by Mr. Vikas Agarwal.

For **KAYA MIDDLE EAST DMCC**

Vikas

DIRECTOR

AUDITORS PKF U.A.E.

KAYA MIDDLE EAST DMCC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 AED	2019 AED
Purchases		--	197,264
Changes in inventories		--	(197,264)
Gross profit		--	--
Dividend income		1,311,489	1,575,000
Other operating income	18	85,463	189,417
Depreciation		(492,129)	(345,216)
Impairment losses on investments	19	(1,315,967)	(2,802,969)
Other operating expenses	20	(408,426)	(238,198)
Impairment of financial asset	21	--	(2,350,649)
Finance costs	22	(229,805)	(747,487)
LOSS FOR THE YEAR		(1,049,375)	(4,720,102)
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,049,375)	(4,720,102)

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 4.

KAYA MIDDLE EAST DMCC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Share capital AED	Accumulated losses AED	Total AED
Balance at 1 April 2018	50,000	267,756	317,756
Total comprehensive income for the year	--	(4,720,102)	(4,720,102)
Balance at 31 March 2019	50,000	(4,452,346)	(4,402,346)
Issue of share capital [note 13(a)]	2,850,000	--	2,850,000
Total comprehensive income for the year	--	(1,049,375)	(1,049,375)
Balance at 31 March 2020	**2,900,000**	**(5,501,721)**	**(2,601,721)**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 4.

AUDITORS PKF U.A.E.

KAYA MIDDLE EAST DMCC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 AED	2019 AED
Cash flows from operating activities		
Loss for the year	(1,049,375)	(4,720,102)
Adjustments for:		
Depreciation of property, plant and equipment	492,129	345,216
Finance costs	229,805	747,487
Debit balances written off	33,000	--
Credit balances written back	(85,463)	--
Provision for impairment on investments	1,315,967	5,153,618
Dividend income	(1,311,489)	(1,575,000)
	(375,426)	(48,781)
Changes in:		
- Inventories	197,264	(197,264)
- Other current assets	1,655	1,863
- Trade and other payables	(14,265)	502,954
Cash (used in)/generated from operating activities	(190,772)	258,772
Interest paid	(229,805)	(573,311)
Net cash used in operating activities	(420,577)	(314,539)
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	--	(8,550)
Payment to related parties	--	(514,648)
Dividend received	1,311,489	1,575,000
Net cash from investing activities	1,311,489	1,051,802
Cash flows from financing activities		
(Payments to)/receipts from bank loan (net)	(3,670,000)	10,092,500
Receipts from/(payments to) related parties	1,585,175	(14,038,436)
Net cash used in financing activities	(2,084,825)	(3,945,936)
Net decrease in cash and cash equivalents	(1,193,913)	(3,208,673)
Cash and cash equivalents at the beginning of the year	1,455,539	4,664,212
Cash and cash equivalents at the end of the year (note 12)	261,626	1,455,539

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 4.

AUDITORS PKF U.A.E.

1. LEGAL STATUS AND BUSINESS ACTIVITY

a) **KAYA MIDDLE EAST DMCC** (the "Company") is a limited liability company incorporated in accordance with the applicable provisions of Dubai Multi Commodities Centre DMCC Company Regulations, 2003, as amended by DMCC Regulation No. 1 of 2007, DMCC Regulation No. 1 of 2009 and DMCC Regulation No. 1 of 2013. The registered office of the Company is Unit no. 1107, Mazaya Business Avenue BB1, Jumeirah Lake Towers, Dubai, UAE. The Company was incorporated on 9 May 2015 and operates vide service license number DMCC-119566.

b) The Company is engaged in the business of investing in commercial enterprises and management.

c) The Company is wholly owned subsidiary of Kaya Limited, a company registered in India and listed on Bombay Stock Exchange and National Stock Exchange, which is considered by the directors to be the ultimate parent company.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2019, and the requirements of the applicable provisions of Dubai Multi Commodities Centre DMCC Company Regulations, 2003, as amended by DMCC Regulation No. 1 of 2007, DMCC Regulation No. 1 of 2009 and DMCC Regulation No. 1 of 2013.

These financial statements are the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries, which are required to be presented in accordance with International Financial Reporting Standard 10: Consolidated Financial Statements, are presented separately.

b) Basis of measurement

The financial statements are prepared using historical cost.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Going concern

The financial statements are prepared on a going concern basis.

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

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During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Establishment's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event. [refer Note 24].

Further, the Company's has incurred a loss of AED 1,049,375 for the year ended 31 March 2020 and at that date, the Company's accumulated losses aggregated to AED 5,501,721 and its current liabilities exceed its current assets by AED 21,687,724 and it had a net deficit of AED 2,601,721 in equity funds.

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

d) **Adoption of new International Financial Reporting Standards**

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

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:
  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

The above standard, amendments, improvements and interpretation did not have any significant impact on the Company's financial statements.

New and revised IFRSs in issue but not yet effective

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

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- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)

- The Conceptual Framework for Financial Reporting (1 January 2020)

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency

3. **SIGNIFICANT ACCOUNTING POLICIES**

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

a) **Property, plant and equipment**

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

Plant and machinery	7 years
Office premises	30 years
Furniture, fixtures and office equipment	7 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Company and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

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

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b) **Impairment of tangible assets**

At each reporting date, the management reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

c) **Investment in subsidiaries**

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

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

d) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is arrived at using the Weighted Average Cost (WAC) and comprises invoice value plus applicable landing charges less discounts. Net realisable value is based on estimated selling price less any estimated cost of completion and disposal.

Finished goods are stated at lower of cost and net realisable value. Cost comprises of direct materials, labour and other attributable overheads.

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e) **Revenue recognition**

The Company's principal licensed activity is investing in commercial enterprises and management.

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

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Dividend income

Dividend income is accounted when the right to receive dividend is established.

f) **Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank current accounts free of encumbrance with a maturity date of three months or less from the date of deposit.

g) **Foreign currency transactions**

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

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

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

h) **Provisions**

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

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

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

i) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from 1 January 2018, Value Added Tax (VAT) will be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

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

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- 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.

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k) **Financial instruments**

Classification

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

The classification of financial assets depends on the Company’s business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether 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. Management determines the classification of its investment at initial recognition.

Financial liabilities are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition

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

Derecognition

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

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

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

Measurement

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

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

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

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

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

The financial assets at amortised cost comprise of deposits and cash and cash equivalents.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost comprise of long-term borrowings, short-term borrowings, trade and other payables and amounts due to related parties.

Impairment of financial assets
Loss allowances are measured on either of the following basis:

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

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

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

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

Offsetting

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 the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Equity

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

l) **Fair value measurement**

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

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

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

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

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

4. SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Property, plant and equipment

In the opinion of management, as reliable estimates of market value are available, stating the Company's freehold office premises at valuation provides a more meaningful reflection of the decisions to acquire such properties and of the Company's asset position at the reporting date.

Classification of financial assets

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

Impairment

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

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

Investments in subsidiaries

Management considers that it has de-facto control over Iris Medical Centre LLC, Minal Medical Centre LLC., Dubai and Minal Medical Centre LLC, Sharjah (previously known as Minal Specialised Clinic Dermatology LLC) even though it holds 34%, 24% and 24% of the legal capital respectively. The Company is a controlling shareholder as the 51% shares held by another shareholder is assigned to the Company. Effectively, the Company holds 85%, 75% and 75% of the beneficial interest respectively in these subsidiaries.

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5. **KEY SOURCES OF ESTIMATION UNCERTAINTY**

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Carrying values of property, plant and equipment

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

Inventory provisions

Management regularly undertakes a review of the Company's inventory, stated at AED Nil (previous year AED 197,264) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(k).

Going concern assumption

The management has performed the preliminary assessment of the Company's ability to continue as a going concern, which covers a period of twelve months from the reporting date. The Company's management has prepared its business forecast and the cash flow projections for the twelve months from the reporting date on a conservative basis. These forecasts have been prepared taking into consideration the nature and condition of its business, the degree to which it is affected by external factors and other financial and non-financial data available at the time of preparation of such forecasts. The uncertainty due to recent Covid-19 on outbreak with regard to the future impact on the Company's business performance has been considered as part of management's assessment of the Company's ability to continue as a going concern. The management considered several foreseeable areas of operational risk and implemented various measures to ensure the continuity of the operations, which include reviewing operating expenses, deferring non-essential capital expenditure, evaluating terms and conditions with suppliers and ensuring continued financial support to enable the Company to discharge its liabilities as and when they fall due. Management believes that the Company's success in achieving these steps depend on the realisation of its cash flow projections based on the above operating and financial assumptions, and the ability of the Company to cope with the lock-down situation. Due to the unprecedented nature of the crisis, the lack of enough historical data, the low visibility and the high uncertainty related to its evolution, its duration and its impact on the economy in general and the business in particular, it is difficult to make the quantification of its adverse negative impact, if any on the business at this stage as the outcome is dependent on future events which are uncertain.

AUDITORS PKF U.A.E.

6. PROPERTY, PLANT AND EQUIPMENT

	Office premises	Plant and Machinery	Furniture, fixtures and office equipment	Total
	AED	AED	AED	AED
Cost				
At 1 April 2018	3,098,903	--	1,467,386	4,566,289
Additions	--	--	8,550	8,550
Transfer from a related party	--	949,798	16,795	966,593
As at 31 March 2019	3,098,903	949,798	1,492,731	5,541,432
Transfer to a related party	--	(949,798)	(16,795)	(966,593)
As at 31 March 2020	**3,098,903**	**--**	**1,475,936**	**4,574,839**
Accumulated Depreciation				
At 1 April 2018	249,840	--	479,151	728,991
Depreciation	103,503	--	241,713	345,216
At 31 March 2019	353,343	--	720,864	1,074,207
Depreciation	103,503	--	388,626	492,129
At 31 March 2020	**456,846**	**--**	**1,109,490**	**1,566,336**
Carrying amount				
At 1 April 2018	2,849,063	--	988,235	3,837,298
At 31 March 2019	2,745,560	949,798	771,867	4,467,225
At 31 March 2020	**2,642,057**	**--**	**366,446**	**3,008,503**

7. INVESTMENT IN SUBSIDIARIES

	2020 AED	2019 AED
Interest in share capital at cost in:		
– Minal Medical Centre LLC, Dubai. (75% share in the capital of the company)	**11,250,000**	11,250,000
– Minal Medical Centre LLC, Sharjah (75% share in the capital of the company)	**11,250,000**	11,250,000
– Iris Medical Centre LLC. (85% share in the capital of the company)	**4,118,936**	4,118,936
	26,618,936	26,618,936
Less: Provision for impairment of investments	**(4,118,936)**	(2,802,969)
	22,500,000	23,815,967

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The nature of investment in subsidiaries held by the Company are as follows:

Name of subsidiary	Principal Activities	Country of incorporation	Registered proportion (%) of ownership interest 2020	2019
Minal Medical Centre LLC Dubai [(a)]	Provide clinical and dermatological services	UAE	**24**	24
Minal Medical Centre LLC Sharjah[(a)]	Provide clinical and dermatological services	UAE	**24**	24
Iris Medical Centre LLC Abu Dhabi[(b)(c)]	Dermatology and venerology clinics services	UAE	**34**	34

(a) Although the Company holds 24% of the share capital in Minal Medical Centre LLC, Dubai and Medical Centre LLC, Sharjah (previously known as Minal Specialised Clinic Dermatology LLC), it is able to exercise control over its financial and operating policies as the beneficial interest of the 51% equity ownership held by the other shareholder is assigned to the Company. Effectively the Company owns 75% beneficial interest in each of these subsidiaries.

(b) Although the Company holds 34% of the share capital in Iris Medical Centre LLC, it is able to exercise control over its financial and operating policies as the beneficial interest of the 51% equity ownership held by the other shareholder is assigned to the Company. Effectively the Company owns 85% beneficial interest in this subsidiary.

(c) During the year, the Company has provided AED 4,118,936 (previous year AED 2,802,969) towards investment in Iris Medical Centre LLC.

A reconciliation of the movements in provision for impairment is as follows:

	2020 AED	2019 AED
Opening balance	**2,802,969**	--
Provision for the year	**1,315,967**	2,802,969
Closing balance	**4,118,936**	2,802,969

8. INVENTORIES

Consumables and goods for sale	**--**	197,264

9. DEPOSITS

Labour guarantee deposits	**--**	33,000

10. OTHER CURRENT ASSETS

Advances	**1,968**	3,408
Prepayments	**28,183**	26,323
VAT receivable (net)	**--**	2,075
	30,151	31,806

11. RELATED PARTIES

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

Related parties comprise the ultimate parent company, subsidiaries and companies under common ownership and control.

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

	Ultimate Parent company	Subsidiaries	Companies under common ownership and/or management control	Total 2020	Total 2019
	AED	AED	AED	AED	AED
Investments	--	23,815,967	--	23,815,967	
	--	23,815,967	--		23,815,967
Due to related parties	2,651,014	310,303	14,759,363	17,720,680	
	4,289,225	746,590	14,916,283		19,952,098

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 7 and 22.

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

	Ultimate parent company	Subsidiaries	Companies under common ownership and/or management control	Total 2020	Total 2019
	AED	AED	AED	AED	AED
Dividend income	--	1,311,489	--	1,311,489	
	--	1,575,000	--		1,575,000
Other operating income	--	--	--	--	
	--	189,417	--		189,417
Interest expense	--	--	162,858	162,858	
	--	--	160,206		160,206
Recharge of expenses	--	--	--	--	
	158,925	--	--		158,925
Impairment of investment in a subsidiary	--	--	--	--	
	--	2,802,969	--		2,802,969
Impairment of amount due from a joint venture	--	--	--	--	
	--	2,350,649	--		2,350,649
Transfer of net assets	--	--	--	--	
	--	933,145	--		933,145

The Company also provides funds to/receives funds from related parties as working capital facilities, a part of which is at fixed rate of interest and balance is free of interest.

		2020	2019
		AED	AED
12.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	--	83
	Bank balances in current accounts	261,626	1,455,456
		261,626	1,455,539
13.	**SHARE CAPITAL**		
	Paid up:		
	2,900 (31 March 2019: 50) shares of AED 1,000 each	2,900,000	50,000

a) In the current year, the Company has converted an amount of AED 2,850,000 due to parent company into share capital.

The shareholder at 31 March 2020 and its interests as at that date in the share capital of the Company was as follows:

Name of the shareholder	No. of shares	AED
Kaya Limited, India	2,900	2,900,000

		2020	2019
		AED	AED
14.	**LONG-TERM BORROWINGS**		
	Loan from Standard Chartered Bank	10,092,500	13,762,500
	Less: Current portion (note 15)	(3,670,000)	(3,670,000)
		6,422,500	10,092,500
15.	**SHORT-TERM BORROWINGS**		
	Current portion of long-term loans (note 14)	3,670,000	3,670,000

Bank loan carries interest at LIBOR plus 3.75%. The loan is repayable in sixteen quarterly instalments of AED 183,500 commencing from fifteenth month of first drawdown.

Bank facilities and loans are obtained jointly with related party and are secured by:

- Pledge and assignment over bank accounts and acknowledgement of assignment from the Company.
- Assignment of credit card receivables of related parties
- Corporate guarantees by Kaya Limited
- Mortgage over office located in Mazaya Business Avenue (note 6).

The bank facilities are subject to certain financial covenants including debt to tangible net worth ratio, debt coverage ratio and debt service coverage ratio to be fulfilled in combination with the financial statements of a related party.

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A maturity analysis of total bank borrowings is as follows:

	2020 AED	2019 AED
1 – 3 months	305,833	305,833
3 months – 1 year	3,364,167	3,364,167
Presented as current liabilities (note 15)	3,670,000	3,670,000
1 year – 5 years (note 14)	6,422,500	10,092,500
Total	10,092,500	13,762,500

16. TRADE AND OTHER PAYABLES

	2020	2019
Trade payables	207,747	206,947
Creditors for capital goods	3,178	3,178
Accruals	377,896	478,424
	588,821	688,549

The entire trade and other payables are due for payment in one year.

17. MANAGEMENT OF CAPITAL

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

Capital comprises equity funds as presented in the statement of financial position together with amounts due to related parties. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The Company is exposed to externally imposed capital requirements as per bank facilities availed.

Funds generated from internal accruals together with funds received from related parties net of funds provided to related parties are retained in the business, to limit bank borrowings within covenants and according to the business requirements and maintain capital at desired levels. The nature of such covenants is set out in note 15.

	2020 AED	2019 AED
18. OTHER OPERATING INCOME		
Management fees	--	188,934
Credit balances written back	85,463	--
Net exchange gains	--	483
	85,463	189,417
19. IMPAIRMENT LOSSES ON INVESTMENTS		
Impairment of investment in a subsidiary	1,315,967	2,802,969

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		2020 AED	2019 AED
20.	**OTHER OPERATING EXPENSES**		
	Legal and professional fees	180,638	70,876
	Debit balances written off	33,000	--
	Other expenses	194,788	167,322
		408,426	238,198
21.	**IMPAIRMENT OF FINANCIAL ASSET**		
	Impairment of amount due from a joint venture	--	2,350,649
22.	**FINANCE COSTS**		
	Interest on due to related parties	162,858	160,206
	Interest on bank loan	66,947	587,281
		229,805	747,487

23. **FINANCIAL INSTRUMENTS**

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

	At amortised cost	
	2020 AED	2019 AED
Financial assets		
Deposits	--	33,000
Cash and cash equivalents	261,626	1,455,539
	261,626	1,488,539
Financial liabilities		
Long-term borrowings	6,422,500	10,092,500
Short-term borrowings	3,670,000	3,670,000
Trade and other payables	588,821	688,549
Due to related parties	17,720,680	19,952,098
	28,402,001	34,403,147

Management of risks

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

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

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

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Management continuously monitors its cash flows to determine its cash requirements and makes comparison with its funded and un-funded facilities with banks in order to manage exposure to liquidity risk.

Borrowing facilities are regularly reviewed to ensure that the Company obtains the best available pricing, terms and conditions on its borrowings.

Exposures to the aforementioned risks are detailed below:

Credit risk
Financial assets that potentially expose the Company to concentrations of credit risk comprise principally bank accounts and deposits.

The Company's bank accounts are placed with high credit quality financial institutions.

The management assesses the credit risk arising from amounts due from a related party and other receivables taking into account its financial position, past experience and other factors. Based on the assessment individual risk limits are determined.

At the reporting date, there is no significant concentration of credit risk from customers outside the industry in which the Company operates.

Currency risk
There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk
All borrowings are subject to floating interest rates at levels generally obtained in the UAE or are linked to LIBOR and are therefore exposed to cash flow interest rate risk.

To manage interest rate risk on a term loan, the Company has entered into interest rate contracts, in which the Company agreed to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These contracts are designated to hedge underlying debt obligations. At the reporting date, the Company had outstanding interest rate contracts with a notional amount of AED 10 million [previous year AED 10 million]. For the remaining, if interest rates had been 1% higher or lower, interest expense on variable rate debt would have been AED 100,925 higher or lower (previous year AED 137,625) resulting in equity being higher or lower by AED 100,925 (previous year AED 137,625).

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

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The fair values of cash and cash equivalents, deposits, long-term borrowings, short-term borrowings, trade and other payables and amounts due to related parties approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to determine the fair values of other financial assets/liabilities:

- Fair value of long-term borrowings is estimated by discounting future cash flows using rates currently available for debts on similar items, credit risk and remaining maturities. As at the reporting date, the carrying amounts of such liabilities, are not materially different from their fair values.

24. LIQUIDATION OF JOINT VENTURE

During the year 2019, the venturers had decided to voluntarily terminate the operations of the joint venture in Kuwait. The operations ceased from 31 January 2019. The assets and liabilities of the joint venture were taken over by the venturers as agreed at their book values. Consequent to the decision, the Company had recognised an impairment loss of the amount due from the joint venture and recognised a lability towards the joint venture at an amount equal to the excess of net assets acquired over the carrying value of the amount receivable from the joint venture. The details of the net amount payable to the joint venture as at the date of agreement to terminate the operations are as follows:

		2019 AED
Investment in joint venture		309,221
Amount due from joint venture		2,675,380
	(A)	2,984,601
Net assets transferred		
- Property plant and equipment		966,595
- Inventories		197,264
- Trade and other payables		(205,297)
- Other liabilities		(25,417)
	(B)	933,145
		2019 AED
Share of losses		
Losses upto 31 March 2018		1,185,468
Loss for the year ended 31 March 2019		923,488
	(C)	2,108,956
Net amount due to joint venture	**(A-B-C)**	57,500

25. **SIGNIFICANT EVENTS**

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these evets could impact the Company's financial results, cash flows and financial position during the financial year ending 31 March 2021 [note 2 (c)(ii)].

For **KAYA MIDDLE EAST DMCC**

Vikas

DIRECTOR

AUDITORS PKF U.A.E.

IRIS MEDICAL CENTER LLC

Financial statements and reports

Year ended 31 March 2020

IRIS MEDICAL CENTER LLC

Financial statements and reports
Year ended 31 March 2020

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IRIS MEDICAL CENTER LLC

MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The manager submits his report and financial statements for the year ended 31 March 2020. I approve the financial statements and confirm that I am responsible for these, including selecting the accounting policies and making the judgments underlying them. I confirm that I have made available all relevant accounting records and information for their compilation.

Results and dividends
The loss for the year amounted to AED 1,442,194. The manager does not recommend any dividend for the year ended 31 March 2020.

Review of the business
The Company's principal activity during the year was to provide dermatology and venerology clinics services.

Legal and regulatory requirements
The Company has complied with the applicable provisions of the UAE Federal Law No. (2) of 2015.

The losses of the Company exceeded 50% of its share capital. As required by the UAE Federal Law No. (2) of 2015, the shareholders had called a General meeting in which the shareholders have resolved that the Company shall continue its operations.

Significant events
During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these events could impact the Establishment's financial results, cash flows and financial position during the financial year ending 31 March 2021.

Shareholders and their interests
The shareholders at 31 March 2020 and their interests as at that date in the share capital of the Company were as follows:

Name	No. of shares	AED
Mr. Abdulla Khalil Mohamed Samea Al Motawa	51	76,500
Kaya Middle East DMCC	34	51,000
Mr. Yaseer Ekram Moustafa Elassuity	15	22,500
	100	**150,000**

Independent auditor
PKF were appointed as independent auditor for the year ended 31 March 2020 and it is proposed that they be re-appointed for the year ending 31 March 2021.

Manager
10 June 2020

AUDITORS PKF U.A.E.

INDEPENDENT AUDITOR'S REPORT

To the shareholders of IRIS MEDICAL CENTER LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **IRIS MEDICAL CENTER LLC** (the "Company"), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matter**
Revenue	
The Company reported a revenue of AED 950,686 from skin care treatments and aesthetics, and providing related advisory services. We focused this area of the audit as there is an inherent risk related to the accuracy and completeness of revenue recognised given the complexity of the systems and changing mix of products and services, including a variety of plans available for customers. Due to the estimates made, complexities involved and judgements applied in the revenue process, we have considered this matter as a key audit matter.	Our audit procedures included a combination of controls testing, data analysis and other substantive procedures included, but were not limited to, the following: • obtaining an understanding of the significant revenue processes including performance of an end to end walkthrough of the revenue process and identifying the relevant controls (including Information Technology ("IT") systems, interfaces, revenue assurance and reports);

continued…

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	**How our audit addressed the key audit matter**
Revenue (contd.)	
	• Reviewing the control environment and tested internal controls over the completeness, accuracy and occurrence of revenue recognised, and testing the design, implementation and the operating effectiveness of the relevant controls; • involving our internal IT specialists to test IT general controls, system interfaces, data/information reporting and application specific controls surrounding relevant revenue systems; • Testing revenue on sample basis for their occurrence, accuracy and recognition, and the accounting treatments adopted and revenue recognised during the year; • performing data analysis and substantive analytical reviews of significant revenue streams to identify inconsistencies and/or unusual movements during the year; • Selected a sample of transactions before and after the year to verify recognition in the current reporting period; • reviewing key reconciliations performed by the Revenue Assurance team; • performing specific procedures to test the accuracy and completeness of adjustments relating to grossing up certain revenue and costs; • performing procedures to determine if the revenue recognition criteria adopted for all major revenue streams are consistent, appropriate, and in accordance with IFRSs; and assessing the disclosures in the financial statements relating to revenue as per the requirements of IFRSs.

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INDEPENDENT AUDITOR'S REPORT
(continued)

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Impairment of Property plant and equipment</td></tr>
<tr><td>As at 31 March 2020, the Company has property plant and equipment aggregating to AED 151,264. as disclosed in note 6 to the financial statements. In accordance with IAS 36 - Impairment of Assets, the Company is required to test the property, plant and equipment for impairment if indicators of impairment are present.

As disclosed in note 3 (a) the Company's accounting policy is to measure the property, plant and equipment at depreciated historical cost less impairment, if any. These assets are depreciated on a straight-line basis over their estimated useful life, to an estimated residual value at the end of its useful economic life. The estimation of residual value is a key management judgment in the application of Company's accounting policy on depreciation and, therefore, any changes to residual value will directly impact the depreciation charge for the current and future years. Management also needs to consider if there are any impairment indicators in accordance with IAS 36 - Impairment of Assets such as the deterioration in current or forecast trade activity, the incurrence of losses or other factors indicating that the assets may be impaired.

If there are impairment indicators, management needs to perform an impairment test and write down the value of assets where the recoverable amount is lower than the carrying value.

An impairment is recognised on the statement of financial position when the recoverable amount is less than the net carrying amount in accordance with IAS 36. The determination of the recoverable amount is based on discounted future cash flows and fair value less cost to sell (whichever is higher).</td><td>Our audit procedures included an assessment of
the design and implementation of controls over the impairment analysis and calculations. We tested the design and operating effectiveness of relevant controls to determine the accuracy and completeness of provision for impairment. This included testing:

• Management review of impairment assessment annually including calculations performed and assumptions used for consistency; and
• Governance controls, including reviewing key meetings that form part of the approval process for provision for impairment.

In addition, we also performed the following substantive audit procedures:

• Engaged our internal valuation specialist to assess the valuation of the assets in particular, the discount rates used;
• Evaluated whether the models used by management to calculate the recoverable amount of assets with relevant accounting standard;
• Obtained and analysed underlying assumptions provided by management to determine whether these are reasonable and supportable;
• Analysed the discount rates and/or Weighted Average Cost of Capital (WACC);
• Reviewed projections to determine that enhancement capital expenditure has been excluded;
• Reperformed the arithmetical accuracy of the cash flow forecasts; and</td></tr>
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PKF Accountants & business advisers

INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	How our audit addressed the key audit matter
Impairment of Property plant and equipment (contd.)	
We considered the impairment of property, plant and equipment to be a key audit matter, given the complexity involved in the determination of the recoverable amount and the significance of the amount in the Company's financial statements. In addition, the recoverable amounts are based on the use of important assumptions, estimates or assessments made by management, in particular future cash flow projections and the estimate of the discount rate.	• Assessed management's basis of estimating the residual values and depreciation rates of assets and tested these to supporting information for reasonableness, such as any publicly or other available information on estimated residual values and compared the depreciation rates to the rates applied by other pharmaceutical companies; and • Assessed the disclosure in the financial statements as per the requirements of IFRSs.

Emphasis of Matter

We draw attention to Note 2 (c) to the financial statements which states that, during the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Company's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event.

Further, the Company incurred a loss of AED 1,442,194 for the year ended 31 March 2020 and at that date, the Company's losses aggregated to AED 331,998 and its current liabilities exceeded its current assets by AED 265,031 and it had a net deficit of AED 106,998 in equity funds.

However, the ultimate parent company has agreed to continue with the operations of the Company and has agreed to provide continuing financial support to enable the Company to discharge its liabilities as and when they fall due for payment. Accordingly, the financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. Other information comprises the Manager's report as required by the UAE Federal Law No. (2) of 2015, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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INDEPENDENT AUDITOR'S REPORT
(continued)

Our opinion on the financial statements does not cover the other information and we do 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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.

Those charged with governance are responsible for 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

continued…

PKF
Accountants & business advisers

- 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 gives a true and fair view.

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

Report on Other Legal and Regulatory Requirements

As required by the UAE Federal Law No. (2) of 2015, we report that:

i) we have obtained all the information we considered necessary for the purpose of our audit;

ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;

iii) the Company has maintained proper books of account;

iv) the financial information included in the Manager's report is consistent with the books of account of the Company;

v) the Company has not purchased or invested in any shares during the financial year ended 31 March 2020.

vi) note 12 to the financial statements reflects material related party transactions and balances, and the terms under which they were conducted;

vii) the Company has not made any social contributions during the financial year ended 31 March 2020; and

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

viii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2020 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 March 2020 and there are no penalties imposed on the Company. Further, as referred in note 2 (c) to the financial statements, since the losses of the Company exceeded 50% of its share capital, as required by Article 301 of the UAE Federal Law No. (2) of 2015, the shareholders of the Company called a General Meeting in which the shareholders resolved to continue with the operations of the Company.

PKF
Dubai
United Arab Emirates
10 June 2020

IRIS MEDICAL CENTER LLC

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 AED	2019 AED
Assets			
Non-current assets			
Property, plant and equipment	6	151,264	699,389
Intangible asset	7	8,782	--
Capital advance	8	13,279	13,185
		173,325	712,574
Current assets			
Inventories	9	33,478	109,867
Other receivables	10	43,000	44,907
Other current assets	11	239,589	382,344
Due from a related party	12	252,803	689,090
Cash and cash equivalents	13	125,408	133,486
		694,278	1,359,694
Total assets		867,603	2,072,268
EQUITY AND LIABILITIES			
Equity funds			
Share capital	14	150,000	150,000
Statutory reserve		75,000	75,000
(Accumulated losses)/retained earnings		(331,998)	1,110,196
Deficit in equity		(106,998)	1,335,196
Non-current liability			
Provision for staff end-of-service benefits	15	15,292	20,806
Current liabilities			
Trade and other payables	16	305,300	347,032
Other current liabilities	17	27,549	50,489
Due to a related party	12	427,630	--
Contract liabilities	18	198,830	318,745
		959,309	716,266
Total liabilities		974,601	737,072
Total equity and liabilities		867,603	2,072,268

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 8.

Approved and authorised for issue by the shareholders on 10 June 2020 and signed on their behalf by Mr. Anand Venkatraman Vaidyanathan.

For **IRIS MEDICAL CENTER LLC**

Anand

MANAGER

AUDITORS PKF U.A.E.

IRIS MEDICAL CENTER LLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 AED	2019 AED
Revenue	20	950,686	1,290,951
Cost of material consumed		(235,449)	(279,086)
Changes in inventories		75,124	44,541
Gross profit		790,361	1,056,406
Other income	21	33,304	2,000
Staff costs	22	(926,305)	(437,824)
Depreciation		(405,516)	(383,078)
Impairment of property plant and equipment	6	(147,760)	--
Other operating expenses	23	(786,278)	(737,441)
LOSS FOR THE YEAR		(1,442,194)	(499,937)
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,442,194)	(499,937)

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 8.

IRIS MEDICAL CENTER LLC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Share capital AED	Statutory reserve AED	(Accumulated losses)/ retained earnings AED	Total AED
Balance at 1 April 2018	150,000	75,000	1,610,133	1,835,133
Total comprehensive income for the year	--	--	(499,937)	(499,937)
Balance at 31 March 2019	150,000	75,000	1,110,196	1,335,196
Total comprehensive income for the year	--	--	(1,442,194)	(1,442,194)
Balance at 31 March 2020	**150,000**	**75,000**	**(331,998)**	**(106,998)**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 8.

AUDITORS PKF U.A.E.

IRIS MEDICAL CENTER LLC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 AED	2019 AED
Cash flows from operating activities		
Loss for the year	(1,442,194)	(499,937)
Adjustments for:		
Depreciation of property, plant and equipment	405,516	383,078
Impairment of property plant and equipment	147,760	--
Capital advance written off	7,200	--
Assets written off	6,249	--
Debit balances written off	26,511	--
Provision for slow moving inventories	1,265	--
Credit balances written back	(32,963)	--
Provision for end-of-service benefits	9,503	2,679
	(871,153)	(114,180)
Changes in:		
- Inventories	75,124	44,541
- Other receivables	(12,043)	35,570
- Other current assets	130,194	(66,112)
- Trade and other payables	(17,551)	(14,573)
- Other current liabilities	(22,940)	(132,284)
- Contract liabilities	(119,915)	157,779
Staff end-of service benefits paid	(15,017)	--
Net cash used in operating activities	(853,301)	(89,259)
Cash flows from investing activities		
Payment for property, plant and equipment	(5,415)	(26,302)
Payment for capital advance	(13,279)	--
Decrease/(increase) in due from a related party (net)	436,287	(22,635)
Net cash from/(used in) investing activities	417,593	(48,937)
Cash flows from financing activities		
Increase in due to a related party	427,630	--
Net cash from financing activities	427,630	--
Net decrease in cash and cash equivalents	(8,078)	(138,196)
Cash and cash equivalents at beginning of year	133,486	271,682
Cash and cash equivalents at end of year (note 13)	125,408	133,486

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 8.

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1. **LEGAL STATUS AND BUSINESS ACTIVITY**

a) **IRIS MEDICAL CENTRE LLC** (the "Company") is a limited liability company registered in Abu Dhabi, United Arab Emirates, in accordance with the provision of Article 218 of the UAE Commercial Companies Law No. 8 of 1984 as amended. [Repealed by UAE Federal Law No. (2) of 2015]. The registered office is Villa Sheikh Mohammed Bin Khalid Al Nahyan, Corniche, Abu Dhabi, UAE.

b) The principal activity of the Company is to provide dermatology and venerology clinics services.

c) The Company is a subsidiary of Kaya Middle East DMCC (the "Parent company"), a company registered in Dubai, UAE. The ultimate parent company is Kaya Limited (the "ultimate parent company"), a company registered in India which is listed on Bombay Stock Exchange and National Stock Exchange

2. **BASIS OF PREPARATION**

a) **Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2019, and the requirements of UAE Federal Law No. (2) of 2015.

b) **Basis of measurement**

The financial statements are prepared using historical cost.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) **Going concern**

The financial statements are prepared on a going concern basis.

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

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. Accordingly, the Company's operations may be affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event.

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However, the extent to which the Covid-19 may impact the operating results, financial position, and cash flows will depend on future events, which are highly uncertain and an estimate of the potential impact cannot made as of the date of these financial statements (refer note 27).

Further, the Company has incurred a loss of AED 1,442,194 for the year ended 31 March 2020 and at that date, the Company's losses aggregated to AED 331,998 and its current liabilities exceeded its current assets by AED 265,031 and it had a net deficit of AED 106,998 in equity funds.

However, the ultimate parent company has agreed to continue with the operations of the Company and has agreed to provide continuing financial support to enable the Company to discharge its liabilities as and when they fall due for payment. Accordingly, the financial statements have been prepared on a going concern basis.

Since the losses of the Company exceeded 50% of the share capital, as required by Article 301 of the UAE Federal Law No. (2) of 2015, the shareholders of the Company called a General Meeting, in which the shareholders resolved to continue with the operations of the Company.

d) **Adoption of new International Financial Reporting Standards**

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

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement

The impact of adoption of the above standard, amendments, improvements and interpretation and the new accounting policies are explained below in more detail:

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IFRS 16: Leases

Impact of adoption

IFRS 16 was issued in January 2016 and is effective for annual periods beginning on or after 1 January 2019, which supersedes the previous guidance in IAS 17 leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. The standard requires lessees to account for most leases under a single on-balance sheet model and sets out the principles for the recognition, measurement, presentation and disclosure of leases. Lessor accounting remains similar to previous accounting policies. Lessors will continue to classify leases as either operating or finance leases using similar principals as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

Adoption of IFRS 16 did not have any significant impact on the Company's financial statements.

IFRS 16 accounting policies

The application of the new standard required the management to apply the new accounting policy, which is summarised in note 3 (j) to the financial statements under significant accounting policies.

Other amendments, improvements and interpretation

The following amendments, improvements and interpretation which became effective 1 April 2019, did not have any significant impact on the Company's financial statements:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations

  - IFRS 11 Joint Arrangements

  - IAS 12 Income Taxes

  - IAS 23 Borrowing Costs

- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement

New and revised IFRSs in issue but not yet effective

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

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- Amendments IFRS 3: Definition of a Business (1 January 2020)
- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)
- The Conceptual Framework for Financial Reporting (1 January 2020)

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

3. **SIGNIFICANT ACCOUNTING POLICIES**

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

a) **Property, plant and equipment**

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

Plant and machinery	7 years
Furniture, fixtures and office equipment	3 - 7 years

Capital work-in-progress is stated at cost less any impairment losses and is not depreciated. This will be depreciated from the date the relevant assets are ready for use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Company and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

b) **Intangible asset**

Capital work-in-progress is stated at cost less any impairment losses and is not amortised. This will be amortised from the date the relevant asset is ready for use.

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c) **Impairment of tangible and intangible assets**

At each reporting date, the management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

d) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is arrived at using the Weighted Average Cost (WAC) and comprises invoice value plus applicable landing charges less discounts. Net realisable value is based on estimated selling price less any estimated cost of completion and disposal.

e) **Staff end-of-service benefits**

Provision is made for end-of-service benefits payable to non-UAE national employees at the reporting date in accordance with the local labour laws.

f) **Statutory reserve**

Statutory reserve is created by appropriating 10% of the profit of the Company as required by Article 103 of the UAE Federal Law No. (2) of 2015. The shareholders may resolve to discontinue such deduction when the reserve totals 50% of the paid-up share capital. The reserve is not available for distribution except as provided in the Federal Law.

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g) **Revenue recognition**

The Company is in the business of providing dermatology and venerology clinic services.

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

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of goods

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

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of significant financing components.

The Company receives short-term advance from its customers. As the period between the transfer of promised goods or services to the customer and when the customer pays for those goods or services is expected to be less than one year, the Company has used the practical expedient in IFRS 15 and not adjusted the consideration for significant financing component.

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Sale of services

The company provides services that are either sold separately or bundled together with the sale of goods. The services can be obtained from other providers and do not significantly modify or customise the goods.

Contracts for composite sale of goods and services comprise of two performance obligations because the promise to transfer the goods and promise to provide services are capable of been distinct and separately identifiable. The Company allocates the transaction price based on the relative stand-alone selling prices of the goods and services.

The Company has concluded that revenue from sale of goods should be recognised at a point in time when the services have been provided to the customer and sessions under the package are utilised. The income relating to unutilised sessions are carried forward and recognised on utilisation of the sessions.

The Company has concluded that revenue from sale of services should be recognised over time using output method, if one of the following criteria is met:

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

h) **Contract liabilities**

A contract liability is the obligation to provide services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company provides services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the company performs under the contract.

i) **Recharge of staff costs**

Recharge of staff costs represents salary costs of certain common staff whose services were availed by the Company as per the terms agreed with a related party.

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j) **Leases**

As a lessee

The Company leases its clinic premises. Rental contract is typically made for a fixed period of 1 year but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

Short-term leases

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

k) **Cash and cash equivalents**

Cash and cash equivalents comprise cash, bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

l) **Foreign currency transactions**

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

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

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

m) **Provisions**

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

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

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

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n) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from 1 January 2018, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

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

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or;
- 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.

p) **Financial instruments**

Classification

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

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether 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. Management determines the classification of its investment at initial recognition.

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Financial liabilities are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition

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

Derecognition

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

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

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

Measurement

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

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets at amortised cost

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

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

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

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

Impairment of financial assets

Loss allowances are measured on either of the following basis:

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

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

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

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

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The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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

- The customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

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

Offsetting
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 the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

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

q) **Fair value measurement**
The Company discloses the fair value of financial instruments measured at amortised cost.

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

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

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

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4. SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Classification of financial assets

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

Impairment

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

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

Recognition of revenue and allocation of transaction price

Identification of performance obligations

Contract revenue is recognised over time as performance obligations are fulfilled in accordance with IFRS 15- Revenue from Contracts with Customers.

Determine timing of satisfaction of performance obligation

The Company concluded that the revenue from sale of goods should be recognised at a point in time when the services have been provided to the customer. Payment of the transaction price is due immediately at the point the customer purchases the goods.

The Company concluded that revenue from services is to be recognized over time as the customer simultaneously receives the benefit as the session is consumed. The income relating to unutilised sessions is carried forward and recognised on utilisation of the sessions.

The transaction price is allocated to each performance obligations on a relative standalone selling price basis. Management estimates the standalone selling price at contract inception based on observable prices of the type of contract and the services rendered in similar circumstances to similar customers.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Carrying values of property, plant and equipment

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

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Inventory provisions

Management regularly undertakes a review of the Company's inventory, stated at AED 34,743 (previous year AED 109,867) in order to assess the likely realisation proceeds, taking into account, purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

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

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(p).

Staff end-of-service benefits

The Company computes the provision for the liability to staff end-of-service benefits stated at AED 15,292 (previous year AED 20,806), assuming that all employees were to leave as of the reporting date and is based on the local labour laws. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

Going concern assumption

The management has performed the preliminary assessment of the Company's ability to continue as a going concern, which covers a period of twelve months from the reporting date. The Company's management has prepared its business forecast and the cash flow projections for the twelve months from the reporting date on a conservative basis. These forecasts have been prepared taking into consideration the nature and condition of its business, the degree to which it is affected by external factors and other financial and non-financial data available at the time of preparation of such forecasts. The uncertainty due to recent Covid-19 on outbreak with regard to the future impact on the Company's business performance has been considered as part of management's assessment of the Company's ability to continue as a going concern. The management considered several foreseeable areas of operational risk and implemented various measures to ensure the continuity of the operations, which include reviewing operating expenses, deferring non-essential capital expenditure, evaluating terms and conditions with suppliers and ensuring continued financial support to enable Company to discharge its liabilities as and when they fall due. Management believes that the Company's success in achieving these steps depend on the realisation of its cash flow projections based on the above operating and financial assumptions, and the ability of the Company to cope with the lock-down situation. Due to the unprecedented nature of the crisis, the lack of enough historical data, the low visibility and the high uncertainty related to its evolution, its duration and its impact on the economy in general and the business in particular, it is difficult to make the quantification of its adverse negative impact, if any on the business at this stage as the outcome is dependent on future events which are uncertain.

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However, the management currently believes that it has adequate liquidity and reviewing business plans to continue with the operations and mitigate the risks, if any associated with Covid-19. On the basis of such forecasts the management is of the opinion that the Company's will be able to continue its operations for the next twelve months from the reporting date and that the going concern assumptions used in the preparation of these financial statements is appropriate. The appropriateness of the going concern assumptions shall be re-assessed at each reporting date.

6. PROPERTY, PLANT AND EQUIPMENT

	Capital work-in-progress	Plant and machinery	Furniture, fixtures and office equipment	Total
	AED	AED	AED	AED
Cost				
At 1 April 2018	46,775	1,196,375	685,962	1,929,112
Additions	26,302	--	--	26,302
Transfer from capital advance	16,515			16,515
Transfer	(86,467)	1,517	84,950	--
At 31 March 2019	3,125	1,197,892	770,912	1,971,929
Additions	--	--	5,415	5,415
Transfer from capital advance	--	--	5,985	5,985
Assets written off	--	(6,016)	(17,793)	(23,809)
Transfers	(3,125)	--	3,125	--
At 31 March 2020	**--**	**1,191,876**	**767,644**	**1,959,520**
Accumulated Depreciation and impairment losses				
At 1 April 2018	--	566,707	322,755	889,462
Depreciation	--	237,775	145,303	383,078
At 31 March 2019	--	804,482	468,058	1,272,540
Depreciation	--	237,973	167,543	405,516
Impairment losses	--	--	147,760	147,760
Adjustment on assets written off	--	(1,843)	(15,717)	(17,560)
At 31 March 2020	**--**	**1,046,912**	**767,644**	**1,808,256**
Carrying amount				
At 1 April 2018	46,775	629,668	363,207	1,039,650
At 31 March 2019	3,125	393,410	302,854	699,389
At 31 March 2020	**--**	**151,264**	**--**	**151,264**

In view of the losses incurred during the year, the management has assessed the recoverable amount of its assets and determined that the recoverable amount of its furniture fixtures and office equipment is lower than its carrying value. Accordingly, an impairment loss of AED 147,760 was recognised during the year.

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7. INTANGIBLE ASSET

	Capital work-in-progress[i] AED
Cost	
At 1 April 2018 and 31 March 2019	--
Additions	8,782
At 31 March 2020	**8,782**
Accumulated Amortisation	
At 1 April 2018, 31 March 2019 and 31 March 2020	**--**
Carrying amount	
At 1 April 2018	--
At 31 March 2019	--
At 31 March 2020	**8,782**

(i) Capital Work in progress represent work towards installation of new software.

	2020 AED	2019 AED
8. CAPITAL ADVANCE [a]		
Opening balance	13,185	29,700
Advance given	13,279	--
Less: Transfer to property, plant and equipment (note 6)	(5,985)	(16,515)
Less: Amounts written off	(7,200)	--
	13,279	13,185

a) Capital advance represents advance towards refurbishment of clinic and purchase of plant and machinery

	2020 AED	2019 AED
9. INVENTORIES		
Consumables and goods for sale	34,743	109,867
Less: Provision for slow-moving inventories	(1,265)	--
	33,478	109,867

A reconciliation of the movements in the provision for slow-moving inventories is as follows:

	2020 AED	2019 AED
Provisions made during the year	1,265	--
Closing balance	1,265	--

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		2020	2019
		AED	AED
10.	**OTHER RECEIVABLES**		
	Deposits	43,000	43,000
	Staff advances	--	1,670
	Other receivables	--	237
		43,000	44,907

		2020	2019
		AED	AED
11.	**OTHER CURRENT ASSETS**		
	Other advances	51	128,595
	Prepaid expenses	225,588	253,749
	VAT receivable (net)	13,950	--
		239,589	382,344

12. **RELATED PARTIES**

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

Related parties comprise the parent/ultimate parent company, the shareholders, and fellow subsidiaries.

	Shareholders	Fellow subsidiaries	Total 2020	Total 2019
	AED	AED	AED	AED
Due from a related party	252,803	--	252,803	
	689,090	--		689,090
Due to a related party	--	427,630	427,630	
	--	--		--

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 24.

Significant transactions with related parties, representing fellow subsidiaries, during the year were as follows:

	Fellow subsidiaries	Total 2020	Total 2019
	AED	AED	AED
Purchases	105,169	105,169	
	202,995		202,995
Recharge of staff costs	427,630	427,630	
	--		--

The Company also provides funds to/receives funds from related parties as working capital facilities, free of interest.

		2020	2019
		AED	AED
13.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	--	33,404
	Bank balances in current accounts	125,408	100,082
		125,408	133,486
14.	**SHARE CAPITAL**		
	Paid up:		
	100 shares of AED 1,500 each	150,000	150,000
15.	**PROVISION FOR STAFF END-OF-SERVICE BENEFITS**		
	Opening balance	20,806	18,127
	Provision for the year	9,503	2,679
	Paid during the year	(15,017)	--
	Closing balance	15,292	20,806
16.	**TRADE AND OTHER PAYABLES**		
	Trade payables	22,968	137,999
	Accruals	27,040	13,278
	Other payables	255,292	195,755
		305,300	347,032

The entire trade and other payables are due for payment in one year.

		2020	2019
17.	**OTHER CURRENT LIABILITIES**		
	Vat payable (net)	--	8,264
	Payable to employees	27,549	42,225
		27,549	50,489
18.	**CONTRACT LIABILITIES**		
	Contract liabilities relating advance received to fulfil a contract	198,830	318,745
	Disclosed as:		
	Current contract liabilities	198,830	318,745

19. **MANAGEMENT OF CAPITAL**

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

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

The Company is subject to externally imposed capital requirements as per provisions of the Article 301 of the UAE Federal Law No. (2) of 2015. As referred in note 2 (c) to the financial statements, since the losses of the Company exceeded 50% of its share capital, the shareholders referred the matter in the General meeting in which the shareholders have resolved to continue with the operations of the Company.

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

20. REVENUE

The Company generates revenue from sale of goods and rendering services at a point in time and over a period of time respectively. The disaggregated revenue from contracts with customers by geographical segments, customer type, and contract type is presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Company's revenue and cash flows.

	2020 AED	2019 AED
Primary Geographical segments		
- UAE	**950,686**	1,290,951
Major goods/service lines		
- Products	**63,159**	87,443
- Services	**887,527**	1,203,508
	950,686	1,290,951
Timing of revenue recognition		
- At a point in time	**63,159**	87,443
- Over period of time	**887,527**	1,203,508
	950,686	1,290,951

21. OTHER INCOME

	2020 AED	2019 AED
Credit balances written back	**32,963**	--
Other miscellaneous income	**341**	2,000
	33,304	2,000

22. STAFF COSTS

	2020 AED	2019 AED
Staff salaries and benefits	**489,172**	435,145
Staff end-of-service benefits	**9,503**	2,679
Recharge of staff costs	**427,630**	--
	926,305	437,824

		2020 AED	2019 AED
23.	**OTHER OPERATING EXPENSES**		
	Operating lease expenses	220,000	232,187
	Provision for slow moving inventories	1,265	--
	Assets written off	6,249	--
	Capital advance written off	7,200	--
	Debit balances written off	26,511	--
	Repairs and maintenance	134,562	139,208
	Legal and professional fees	239,324	189,105
	Other expenses	151,167	176,941
		786,278	737,441

24. FINANCIAL INSTRUMENTS

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

	At amortised cost	
	2020 AED	2019 AED
Financial assets		
Other receivables	43,000	44,907
Due from a related party	252,803	689,090
Cash and cash equivalents	125,408	133,486
	421,211	867,483
Financial liabilities		
Trade and other payables	305,300	347,032
Due to a related party	427,630	--
	732,930	347,032

Management of risks

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

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

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

Management continuously monitors its cash flows to determine its cash requirements and makes arrangement with related parties, in order to manage exposure to liquidity risk.

The Company buys and sells goods and services in foreign currencies. Exposure is minimised where possible by denominating such transactions in US dollars to which the UAE Dirhams is pegged.

Exposures to the aforementioned risks are detailed below:

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

The Company's bank accounts are placed with high credit quality financial institutions.

The management assesses the credit risk arising from other receivables and due from related parties taking into account their financial position, past experience and other factors. Based on the assessment individual risk limits are determined.

At the reporting date 100% of due from a related party is due from a related party in the UAE (previous year 100% due from a related party in the UAE).

Currency risk
There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk
The Company is not exposed to any significant interest rate risk.

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

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

		2020 AED	2019 AED
25.	**OTHER CONTRACTED COMMITMENTS**		
	For purchase of property, plant and equipment	29,450	--

26. **COMPARATIVE INFORMATION**

Previous year's amounts have been regrouped/reclassified as follows as it is considered that the revised grouping/classification, which has been adopted in the current accounting year, more fairly presents the state of affairs:

	Reclassified from	Reclassified to	AED
Advances	Capital advance	Advance to suppliers	16,000
Advances	Capital advance	Trade payables	2,936

27. **SIGNIFICANT EVENTS**

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these events could impact the Establishment's financial results, cash flows and financial position during the financial year ending 31 March 2021 [note 2 (c)].

For **IRIS MEDICAL CENTER LLC**

MANAGER

MINAL MEDICAL CENTRE L.L.C.

Financial statements and reports

Year ended 31 March 2020

MINAL MEDICAL CENTRE L.L.C.

Financial statements and reports
Year ended 31 March 2020

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MINAL MEDICAL CENTRE L.L.C.

MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The manager submits his report and financial statements for the year ended 31 March 2020. I approve the financial statements and confirm that I am responsible for these, including selecting the accounting policies and making the judgments underlying them. I confirm that I have made available all relevant accounting records and information for their compilation.

Results and dividends
The profit for the year amounted to AED 1,379,082. An amount of AED 1,648,652 has been declared and paid as dividend during the year ended 31 March 2020.

Review of the business
The Company's principal activity during the year was providing clinical and dermatological services.

Legal and regulatory requirements
The Company has complied with the applicable provisions of the UAE Federal Law No. (2) of 2015.

Significant events
During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these events could impact the Company's financial results, cash flows and financial position during the financial year ending 31 March 2021.

Shareholders and their interests
The shareholders at 31 March 2020 and their interest in the share capital of the Company were as follows.

Name	No. of shares	AED
Mr. Adeeb Salem Abdulla Salem[(a)]	153	153,000
Ms. Minal Patwardhan Andrade	75	75,000
Kaya Middle East DMCC	72	72,000
	300	**300,000**

(a) Mr. Ahmed Khalil Mohamed Samea Al Mutawa, the erstwhile shareholder has entered into a share sale and transfer agreement notarised in Dubai Courts on 10 February 2020 in which he has sold and transferred his 51% shareholding in the Company to Mr. Adeeb Salem Abdulla Salem. Accordingly, the Company has amended its memorandum of association and its license issued by the Department of Economic Development ('DED'), Dubai, for reflecting this sale and transfer of shares.

Independent auditor
PKF were appointed as independent auditor for the year ended 31 March 2020 and it is proposed that they be re-appointed for the year ending 31 March 2021.

Manager
2 June 2020

AUDITORS PKF U.A.E.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MINAL MEDICAL CENTRE L.L.C.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **MINAL MEDICAL CENTRE L.L.C.** (the "Company") which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matter**
Revenue	
The Company reported a revenue of AED 6,815,290 from skin care treatments and aesthetics, and providing related advisory services.	Our audit procedures included a combination of controls testing, data analysis and other substantive procedures included, but were not limited to, the following:

continued…

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	How our audit addressed the key audit matter
Revenue (contd.)	
We focused this area of the audit as there is an inherent risk related to the accuracy and completeness of revenue recognised given the complexity of the systems and changing mix of products and services, including a variety of plans available for customers. Due to the estimates made, complexities involved and judgements applied in the revenue process, we have considered this matter as a key audit matter.	• obtaining an understanding of the significant revenue processes including performance of an end to end walkthrough of the revenue process and identifying the relevant controls (including Information Technology ("IT") systems, interfaces, revenue assurance and reports); • Reviewing the control environment and tested internal controls over the completeness, accuracy and occurrence of revenue recognised, and testing the design, implementation and the operating effectiveness of the relevant controls; • involving our internal IT specialists to test IT general controls, system interfaces, data/information reporting and application specific controls surrounding relevant revenue systems; • Testing revenue on sample basis for their occurrence, accuracy and recognition, and the accounting treatments adopted and revenue recognised during the year; • performing data analysis and substantive analytical reviews of significant revenue streams to identify inconsistencies and/or unusual movements during the year; • Selected a sample of transactions before and after the year to verify recognition in the current reporting period; • reviewing key reconciliations performed by the Revenue Assurance team; • performing specific procedures to test the accuracy and completeness of adjustments relating to grossing up certain revenue and costs; • performing procedures to determine if the revenue recognition criteria adopted for all major revenue streams are consistent, appropriate, and in accordance with IFRSs; and • assessing the disclosures in the financial statements relating to revenue as per the requirements of IFRSs.

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

Emphasis of Matter
We draw attention to Note 2(c) of the financial statements, which states that the uncertainty due to recent Covid-19 outbreak with regard to the future impact on the Company's business performance has also been considered as part of the management's assessment of the Company's ability to continue as a going concern. Given the uncertainty of the situation, the duration of business disruption and related financial impact, if any cannot be reasonably estimated as of the date of our report. Our opinion is not modified with respect to this matter.

Other Information
Management is responsible for the other information. Other information comprises the Manager's report as required by the UAE Federal Law No. (2) of 2015, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

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

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

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

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

- Identify and assess the risks of material misstatement of the 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 gives a true and fair view.

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

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

Report on Other Legal and Regulatory Requirements
As required by the UAE Federal Law No. (2) of 2015, we report that:

i) We have obtained all the information we considered necessary for the purpose of our audit;

ii) The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;

iii) The Company has maintained proper books of account;

iv) The financial information included in the Manager's report is consistent with the books of account of the Company;

v) The Company has not purchased or invested in any shares during the financial year ended 31 March 2020;

vi) Note 11 to the financial statements reflects material related party transactions and balances, and the terms under which they were conducted;

vii) The Company has not made any social contributions during the financial year ended 31 March 2020; and

viii) Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2020 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 March 2020 and there are no penalties imposed on the Company.

AUDITORS PKF U.A.E.

PKF
Dubai
United Arab Emirates
9 June 2020

MINAL MEDICAL CENTRE L.L.C.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 AED	2019 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	475,369	637,499
Intangible asset	7	8,782	--
		484,151	637,499
Current assets			
Inventories	8	211,520	248,488
Other receivables	9	177,145	224,128
Other current assets	10	120,813	361,982
Cash and cash equivalents	12	877,024	864,763
		1,386,502	1,699,361
Total assets		1,870,653	2,336,860
EQUITY AND LIABILITIES			
Equity funds			
Share capital	13	300,000	300,000
Statutory reserve		150,000	150,000
Retained earnings		388,953	615,465
Total equity funds		838,953	1,065,465
Non-current liability			
Provision for staff end-of-service benefits	14	123,576	139,488
Current liabilities			
Trade and other payables	15	287,878	476,414
Other current liabilities	16	344,071	284,473
Contract liabilities	17	236,758	321,020
Due to a related party	11	39,417	50,000
		908,124	1,131,907
Total liabilities		1,031,700	1,271,395
Total equity and liabilities		1,870,653	2,336,860

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

Approved and authorised for issue by the shareholders on 2 June 2020 and signed on their behalf by Mr. Anand Venkatraman Vaidyanathan.

For **MINAL MEDICAL CENTRE L.L.C.**

Anand

MANAGER

AUDITORS PKF U.A.E.

MINAL MEDICAL CENTRE L.L.C.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 AED	2019 AED
Revenue	20	6,815,290	6,079,025
Purchases of inventory		(1,291,733)	(1,294,804)
Changes in Inventories		(23,583)	18,799
Gross profit		5,499,974	4,803,020
Staff costs	21	(2,673,157)	(2,124,539)
Depreciation	22	(428,712)	(157,816)
Other operating expenses	23	(1,016,503)	(1,438,749)
Interest income	24	189	199
Finance cost	25	(2,709)	--
PROFIT FOR THE YEAR		1,379,082	1,082,115
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,379,082	1,082,115

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

MINAL MEDICAL CENTRE L.L.C.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Share capital AED	Statutory reserve AED	Retained earnings AED	Total AED
Balance at 1 April 2018	300,000	150,000	833,350	1,283,350
Total comprehensive income for the year	--	--	1,082,115	1,082,115
Dividends paid during the year	--	--	(1,300,000)	(1,300,000)
Balance at 31 March 2019 (audited)	300,000	150,000	615,465	1,065,465
Adjustment on account of adoption of IFRS 16 [Note 2(d)]	--	--	43,058	43,058
Restated balance at 1 April 2019	300,000	150,000	658,523	1,108,523
Total comprehensive income for the year	--	--	1,379,082	1,379,082
Dividends paid during the year	--	--	(1,648,652)	(1,648,652)
Balance at 31 March 2020	**300,000**	**150,000**	**388,953**	**838,953**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

AUDITORS PKF U.A.E.

MINAL MEDICAL CENTRE L.L.C.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 AED	2019 AED
Cash flows from operating activities		
Profit for the year	1,379,082	1,082,115
Adjustments for:		
Depreciation of property, plant and equipment	428,712	157,816
Provision for slow moving inventory	13,385	--
Property, plant and equipment written off	5,749	--
Interest income	(189)	(199)
Finance cost	2,709	--
Provision for staff end-of-service benefits	34,735	9,828
	1,864,183	1,249,560
Changes in:		
- Inventories	23,583	(18,799)
- Other receivables	46,983	47,463
- Other current assets	241,169	464,808
- Trade and other payables	(188,536)	115,124
- Other current liabilities	59,598	(6,274)
- Contract liabilities	(84,262)	321,020
Staff end-of-service benefits paid	(50,647)	(48,067)
Cash generated from operations	1,912,071	2,124,835
Interest paid	(2,709)	--
Net cash generated from operating activities	1,909,362	2,124,835
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(21,981)	(174,964)
Payment for intangible assets	(8,782)	--
Receipts from a related party	--	25,000
Interest received	189	199
Net cash used in investing activities	(30,574)	(149,765)
Cash flows from financing activities		
Dividends paid	(1,648,652)	(1,300,000)
Payment of lease liabilities	(207,292)	--
Payments to related parties	(10,583)	(36,428)
Net cash used in financing activities	(1,866,527)	(1,336,428)
Net increase in cash and cash equivalents	12,261	638,642
Cash and cash equivalents at beginning of year	864,763	226,121
Cash and cash equivalents at end of year (note 12)	877,024	864,763

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

AUDITORS PKF U.A.E.

1. **LEGAL STATUS AND BUSINESS ACTIVITY**

a) **MINAL MEDICAL CENTRE L.L.C.** (the "Company") is a limited liability company registered in Dubai, United Arab Emirates, in accordance with the provisions of UAE Federal Law No. (2) of 2015. The principal place of business is clinic no. 262-2/V25, Jumeirah, PO Box: 213563, Dubai, UAE.

b) The Company is engaged in the business of providing clinical and dermatological services.

c) The parent company is Kaya Middle East DMCC and the ultimate parent company is Kaya Limited, a company registered in India which is listed on Bombay Stock Exchange and National Stock Exchange

d) The Company was initially registered as a civil company on 11 August 2010 and commenced its operations since then. With effect from 7 December 2016, vide a share transfer agreement, Kaya Middle East DMCC acquired controlling stake in the Company and the Company was converted into limited liability company carrying on the same business activities.

2. **BASIS OF PREPARATION**

a) **Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2019, and the requirements of UAE Federal Law No. (2) of 2015.

b) **Basis of measurement**

The financial statements are prepared using historical cost.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) **Going concern**

The financial statements are prepared on a going concern basis.

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

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Further, the uncertainty due to recent Covid-19 outbreak with regard to the future impact on the Company's business performance has also been considered as part of the management's assessment of the Company's ability to continue as a going concern. Accordingly, the Company's operations may have been affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event. However, the extent to which the Covid-19 may impact the operating results, financial position, and cash flows will depend on future events, which are highly uncertain and an estimate of the potential impact cannot made as of the date of these financial statements (refer note 27).

d) **Adoption of new International Financial Reporting Standards**

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

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations

  - IFRS 11 Joint Arrangements

  - IAS 12 Income Taxes

  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement IFRIC 23: Uncertainty over Income Tax Treatments

The impact of adoption of the above standard, amendments, improvements and interpretation and the new accounting policies are explained below in more detail:

IFRS 16: Leases

Impact of adoption

IFRS 16 was issued in January 2016 and is effective for annual periods beginning on or after 1 January 2019, which supersedes the previous guidance in IAS 17 leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. The standard requires lessees to account for most leases under a single on-balance sheet model and sets out the principles for the recognition, measurement, presentation and disclosure of leases. Lessor accounting remains similar to previous accounting policies. Lessors will continue to classify leases as either operating or finance leases using similar principals as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company adopted modified retrospective transition approach permitted by IFRS 16 with the date of initial adoption of 1 April 2019. Accordingly, the comparative information has not been restated. The Company has elected to measure the Right-of-Use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Based on the approach adopted, the Company has made adjustments impacting the retained earnings as on 1 April 2019. On transition to IFRS 16, the Company applied the standard only to those contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed after 1 April 2019.

In applying IFRS 16 for the first time, the Company also applied the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- reliance on previous assessments on whether leases are onerous; the election, by class of underlying asset, not to separate non-lease components from lease components, and instead for each lease component and any associated non-lease components as a single lease component.
- exemptions to operating leases with a remaining lease term of less than 12 months at the date of initial application.
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table summarises the impact of transition to IFRS 16 on opening balances as at 1 April 2019:

	As at 1 April 2019		
	As originally presented	**Impact on remeasurement under IFRS 16**	**Restated under IFRS 16**
	AED	**AED**	**AED**
Non-current assets			
Property, plant and equipment	637,499	250,350	887,849
Current liabilities			
Lease liabilities	--	207,292	207,292
Total liabilities	**--**	207,292	207,292
Retained earnings	615,465	43,058	658,523

With regard to the impact for current year, the Company has recognised depreciation and interest expense, instead of lease expenses. Accordingly, the Company has recognised AED 250,350 of depreciation charge and AED 2,709 of interest expense on these leases. The Company has presented right-of-use assets within 'Property, Plant and Equipment' and lease liabilities under current liabilities in the statement of financial position. Adoption of IFRS 16 has also impacted the presentation in the statement of cash flows.

The off-balance sheet obligations as of 31 March 2019 are reconciled as follows to the recognised lease liabilities as at 1 April 2019.

	AED
Total operating lease commitments as of 31 March 2019	210,000
Discounted using incremental borrowing rate – 6.25%	(2,708)
Total lease liabilities recognised as at 1 April 2019	207,292

IFRS 16 accounting policies

The application of the new standard required the management to apply the new accounting policy, which is summarised in note 3 (j) to the financial statements under significant accounting policies.

Other amendments, improvements and interpretation

The following amendments, improvements and interpretation which became effective 1 April 2019, did not have any significant impact on the Company's financial statements:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:
  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

New and revised IFRSs in issue but not yet effective

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

- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)
- The Conceptual Framework for Financial Reporting (1 January 2020)

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

3. **SIGNIFICANT ACCOUNTING POLICIES**

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

a) **Property, plant and equipment**

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

Right of use asset	3 years
Plant and machinery	5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Company and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

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

b) **Intangible assets**

Capital work-in-progress is stated at cost less any impairment losses and is not amortised. This will be amortised from the date the relevant asset is ready for use.

c) **Impairment of tangible and intangible assets excluding goodwill**

At each reporting date, the management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

d) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is arrived at using Weighted Average Cost (WAC) method and comprises invoice value plus applicable landing charges less discounts. Net realizable value is based on estimated selling prices less any estimated cost of completion and disposal.

e) **Staff end-of-service benefits**

Provision is made for end-of-service benefits payable to non-UAE national employees at the reporting date in accordance with the local labour laws.

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f) **Statutory reserve**

Statutory reserve is created by appropriating 10% of the profit of the Company as required by Article 103 of the UAE Federal Law No. (2) of 2015. The shareholders may resolve to discontinue such deduction when the reserve totals 50% of the paid-up share capital. The reserve is not available for distribution except as provided in the Federal Law.

g) **Revenue recognition**

The Company is engaged in the business of providing clinical and dermatological services.

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

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of goods

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

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of significant financing components.

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The Company receives short-term advance from its customers. As the period between the transfer of promised goods or services to the customer and when the customer pays for those goods or services is expected to be less than one year, the Company has used the practical expedient in IFRS 15 and not adjusted the consideration for significant financing component.

Sale of services
The Company provides services that are either sold separately or bundled together with the sale of goods. The services can be obtained from other providers and do not significantly modify or customise the goods.

Contracts for composite sale of goods and services comprise of two performance obligations because the promise to transfer the goods and promise to provide services are capable of been distinct and separately identifiable. The Company allocates the transaction price based on the relative stand-alone selling prices of the goods and services.

The Company has concluded that revenue from sale of services should be recognised over time using output method, if one of the following criteria is met:

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

h) **Contract liabilities**
A contract liability is the obligation to provide services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company provides services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

i) **Staff costs recharged**
Staff costs recharged represents salary costs of certain common staff whose services were availed by the Companies as per the terms agreed with a related party.

j) **Leases**
As a lessee
The Company leases its clinic premises. Rental contracts are typically made for fixed period of 1 to 3 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

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Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

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

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

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

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

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

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

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Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

k) **Cash and cash equivalents**
Cash and cash equivalents comprise cash and bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

l) **Foreign currency transactions**
Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

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

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

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

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

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

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n) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from 1 January 2018, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

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

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or;
- 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.

p) **Financial instruments**

Classification

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

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether 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. Management determines the classification of its investment at initial recognition.

Financial liabilities are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition

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

Derecognition

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

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

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

Measurement

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

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

Financial assets at amortised cost

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

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

Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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The financial assets at amortised cost comprise of other receivables and cash and cash equivalents.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

Impairment of financial assets
Loss allowances are measured on either of the following basis:

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

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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

- The customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

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The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Offsetting
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 the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

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

q) **Fair value measurement**
The Company discloses the fair value of financial instruments measured at amortised cost.

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

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

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

4. **SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**
The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

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

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Impairment

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

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

Leases

Determining the lease term

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

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

The right-of-use assets and lease liabilities recognised as at 1 April 2019 are mainly determined based on the Company's expected lease renewal terms derived primarily from the Company's long-term business plans.

Discounting of lease payments

The lease payments are discounted using the Company's incremental borrowing rate ("IBR"), which is 6.25%, due to the absence of implicit rates in the lease contracts.

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

Recognition of revenue and allocation of transaction price

Identification of performance obligations

Contract revenue is recognized over time as performance obligations are fulfilled in accordance with IFRS 15 – Revenue from Contracts with Customers.

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Determine timing of satisfaction of performance obligation

The Company concluded that the revenue from sales of goods is to be recognised at a point in time when the control of the goods has transferred to the customers. Payment of the transaction price is due immediately at the point the customer purchases the goods.

The Company concluded that revenue from services is to be recognized over time as the customer simultaneously receives the benefit as the session is consumed.

The transaction price is allocated to each performance obligations on a relative standalone selling price basis. Management estimates the standalone selling price at contract inception based on observable prices of the type of contract and the services rendered in similar circumstances to similar customers.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Carrying values of property, plant and equipment and intangible asset

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

Inventory provisions

Management regularly undertakes a review of the Company's inventory, stated at AED 224,905 (previous year AED 248,488) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

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

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(p).

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Staff end-of-service benefits

The Company computes the provision for the liability to staff end-of-service benefits stated at AED 123,576 (previous year AED 139,488), assuming that all employees were to leave as of the reporting date and is based on the local labour laws. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

6. PROPERTY, PLANT AND EQUIPMENT

	Right of use asset[(a)]	Plant and machinery	Furniture, fixtures and office equipment	Vehicles	Total
	AED	AED	AED	AED	AED
Cost					
At 1 April 2018	--	1,879,796	195,132	88,400	2,163,328
Additions	--	43,433	131,531	--	174,964
As at 31 March 2019	--	1,923,229	326,663	88,400	2,338,292
Adjustment on account of adoption of IFRS 16	1,158,005	--	--	--	1,158,005
Restated balance as at 1 April 2019	1,158,005	1,923,229	326,663	88,400	3,496,297
Additions	--	381	21,600	--	21,981
Assets written off	(1,158,005)	--	(15,108)	--	(1,173,113)
At 31 March 2020	**--**	**1,923,610**	**333,155**	**88,400**	**2,345,165**
Accumulated depreciation					
At 1 April 2018	--	1,358,366	141,443	43,168	1,542,977
Depreciation	--	111,727	37,044	9,045	157,816
As at 31 March 2019	--	1,470,093	178,487	52,213	1,700,793
Adjustment on account of adoption of IFRS 16	907,655	--	--	--	907,655
Restated balance as at 1 April 2019	907,655	1,470,093	178,487	52,213	2,608,448
Depreciation	250,350	138,430	32,695	7,237	428,712
Adjustments on assets written off	(1,158,005)	--	(9,359)	--	(1,167,364)
At 31 March 2020	**--**	**1,608,523**	**201,823**	**59,450**	**1,869,796**
Carrying amount					
At 1 April 2018	--	521,430	53,689	45,232	620,351
At 31 March 2019	--	453,136	148,176	36,187	637,499
At 31 March 2020	**--**	**315,087**	**131,332**	**28,950**	**475,369**

(a) This represented the right to use of the clinic premises on lease. This lease was for a period of 3 years. However, the lease had expired in November 2019 and the renewed lease agreement was for a lease period of one year due to which the company has taken the exemption available for short term leases under IFRS 16: Leases. Consequently, the Company has derecognised the cost and accumulated depreciation pertaining to the right of use asset.

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7. INTANGIBLE ASSET

	Capital work in progress[(a)] AED
Cost	
At 1 April 2018 and 31 March 2019	--
Additions	8,782
At 31 March 2020	**8,782**
Accumulated amortisation	
At 1 April 2018,31 March 2019 and 31 March 2020	--
Carrying amount	
At 1 April 2018	--
At 31 March 2019	--
At 31 March 2020	**8,782**

(a) Capital work in progress represents costs incurred for software installation which is in progress at year end.

	2020 AED	2019 AED
8. INVENTORIES		
Consumables	**224,905**	248,488
Less: Provision for expired inventories	**(13,385)**	--
	211,520	248,488
9. OTHER RECEIVABLES		
Credit card receivables	**--**	30,794
Deposits	**177,145**	191,831
Other receivables	**--**	1,503
	177,145	224,128
10. OTHER CURRENT ASSETS		
Prepayments	**118,382**	151,431
Advance for goods and services	**2,431**	210,551
	120,813	361,982

11. RELATED PARTIES

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

Related parties comprise the shareholders and fellow subsidiaries.

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

	Total 2020 AED	Total 2019 AED
Due to a related party	**39,417**	50,000

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 26.

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

	Shareholders AED	Fellow subsidiaries AED	Total 2020 AED	Total 2019 AED
Staff salaries and benefits	360,000	--	**360,000**	
	360,000	--		360,000
Recharge of staff costs	--	473,002	**473,002**	
	--	--		--
Dividends paid	1,648,652	--	**1,648,652**	
	1,300,000	--		1,300,000

The Company also receives funds from/provides funds to related parties as working capital facilities, free of interest.

	2020 AED	2019 AED
12. CASH AND CASH EQUIVALENTS		
Cash on hand	**1,964**	17,251
Bank balances in current accounts	**875,060**	847,512
	877,024	864,763
13. SHARE CAPITAL		
Paid up:		
300 shares of AED 1,000 each	**300,000**	300,000

The shareholders at 31 March 2020 and their interest in the share capital of the Company were as follows.

Name	No. of shares	AED
Mr. Adeeb Salem Abdulla Salem[(a)]	153	153,000
Ms. Minal Patwardhan Andrade	75	75,000
Kaya Middle East DMCC	72	72,000
	300	**300,000**

(a) Mr. Ahmed Khalil Mohamed Samea Al Mutawa, the erstwhile shareholder has entered into a share sale and transfer agreement notarised in Dubai Courts on 10 February 2020 in which he has sold and transferred his 51% shareholding in the Company to Mr. Adeeb Salem Abdulla Salem. Accordingly, the Company has amended its memorandum of association and its license issued by the Department of Economic Development ('DED'), Dubai, for reflecting this sale and transfer of shares.

		2020	2019
		AED	AED
14.	**PROVISION FOR STAFF END-OF-SERVICE BENEFITS**		
	Opening balance	139,488	177,727
	Provision for the year	34,735	9,828
	Paid during the year	(50,647)	(48,067)
	Closing balance	123,576	139,488
15.	**TRADE AND OTHER PAYABLES**		
	Trade payables	195,208	334,989
	Accruals	75,731	97,709
	Other payables	16,939	43,716
		287,878	476,414

The entire trade and other payables are due for payment in one year.

		2020	2019
16.	**OTHER CURRENT LIABILTIES**		
	VAT payable (net)	57,370	31,867
	Other liabilities	286,701	252,606
		344,071	284,473
17.	**CONTRACT LIABILITIES**		
	Contract liabilities relating advance received to fulfil a contract	236,758	321,020
	Disclosed as:		
	Current contract liabilities	236,758	321,020

18. **DIVIDENDS**

Dividends declared and approved by the shareholders during the year of AED 1,648,652 (previous year AED 1,300,000) represent a dividend per share of AED 5,495 (previous year AED 4,333).

19. **MANAGEMENT OF CAPITAL**

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

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

The Company is subject to externally imposed capital requirements as per provisions of the Article 301 of the UAE Federal Law No. (2) of 2015. The Company has complied with all the capital requirements to which it is subject.

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

20. **REVENUE**

The Company generates revenue from sale of goods and rendering services at a point in time and over a period of time respectively. The disaggregated revenue from contracts with customers by geographical segments, service lines and timing of revenue recognition are presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Company's revenue and cash flows.

	2020 AED	2019 AED
Primary Geographical segments		
- UAE	**6,815,290**	6,079,025
Major service lines		
- Products	**870,139**	611,743
- Services	**5,945,151**	5,467,282
	6,815,290	6,079,025
Timing of revenue recognition		
- At a point in time	**870,139**	611,743
- Over period of time	**5,945,151**	5,467,282
	6,815,290	6,079,025

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		2020 AED	2019 AED
21.	**STAFF COSTS**		
	Staff salaries and benefits	2,165,420	2,114,711
	Staff end-of-service benefits	34,735	9,828
	Recharge of staff costs	473,002	--
		2,673,157	2,124,539
22.	**DEPRECIATION**		
	Depreciation of property, plant and equipment[a]	428,712	157,816

(a) Includes depreciation on Right-of-Use asset of AED 250,350 (previous year AED Nil).

		2020 AED	2019 AED
23.	**OTHER OPERATING EXPENSES**		
	Assets written off	5,749	--
	Provision for slow moving inventory	13,385	--
	Operating lease expenses	151,887	437,699
	Legal and professional fees	300,981	332,003
	Advertisement Expenses	3,967	40,825
	Bank charges	133,597	121,402
	Repair and maintenance	265,404	328,563
	Other expenses	141,533	178,257
		1,016,503	1,438,749
24.	**INTEREST INCOME**		
	On bank deposits	189	199
25.	**FINANCE COST**		
	On lease liabilities	2,709	--

26. **FINANCIAL INSTRUMENTS**

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

	At amortised cost	
	2020 AED	2019 AED
Financial assets		
Other receivables	177,145	224,128
Cash and cash equivalents	877,024	864,763
	1,054,169	1,088,891
Financial liabilities		
Trade and other payables	287,878	476,414
Due to a related party	39,417	50,000
	327,295	526,414

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Management of risks

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

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

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

Management continuously monitors its cash flows to determine its cash requirements in order to manage exposure to liquidity risk.

Exposures to the aforementioned risks are detailed below:

Credit risk

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

The Company's bank accounts are placed with high credit quality financial institutions.

The management assesses the credit risk arising from other receivables taking into account their financial position, past experience and other factors. Based on the assessment individual risk limits are determined.

At the reporting date, there is no significant concentration of credit risk from receivables (previous year Nil)

At the reporting date, there is no significant concentration of credit risk from any particular industry as the Company's customers are mainly individuals.

Currency risk

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

Interest rate risk

The Company is not exposed to any significant interest rate risk.

Fair values

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

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

27. **SIGNIFICANT EVENTS**

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these events could impact the Company's financial results, cash flows and financial position during the financial year ending 31 March 2021 [note 2 (c)].

For **MINAL MEDICAL CENTRE L.L.C.**

MANAGER

AUDITORS PKF U.A.E.

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

Financial statements and reports

Year ended 31 March 2020

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

Financial statements and reports

Year ended 31 March 2020

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MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

MANAGER'S REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The manager submits his report and financial statements for the year ended 31 March 2020. I approve the financial statements and confirm that I am responsible for these, including selecting the accounting policies and making the judgments underlying them. I confirm that I have made available all relevant accounting records and information for their compilation.

Results and dividends

The profit for the year amounted to AED 144,958. An amount of AED 100,000 has been declared and paid as dividend during the year ended 31 March 2020.

Review of the business

The Company's principal activity during the year was providing clinical and dermatological services.

Legal and regulatory requirements

The Company has complied with the applicable provisions of the UAE Federal Law No. (2) of 2015.

Events since the end of the year

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these evets could impact the Establishment's financial results, cash flows and financial position during the financial year ending 31 March 2021.

Shareholders and their interests

The shareholders at 31 March 2020 and their interest in the share capital of the company were as follows.

Name	No. of shares	AED
Mr. Adeeb Salem Abdulla Salem[(a)]	153	153,000
Ms. Minal Patwardhan Andrade	75	75,000
Kaya Middle East DMCC	72	72,000
	300	**300,000**

(a) Mr. Ahmed Khalil Mohamed Samea Al Mutawa, the erstwhile shareholder has entered into a share sale and transfer agreement notarised in Sharjah Courts on 4 February 2020 in which he has sold and transferred his 51% shareholding in the Company to Mr. Adeeb Salem Abdulla Salem. Accordingly, the Company has amended its memorandum of association and its license issued by the Economic Development Department, Sharjah, for reflecting this sale and transfer of shares.

Independent auditor

PKF were appointed as independent auditor for the year ended 31 March 2020 and it is proposed that they be re-appointed for the year ending 31 March 2021.

Manager
2 June 2020

AUDITORS PKF U.A.E.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MINAL MEDICAL CENTRE L.L.C, SHARJAH
(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

Report on the Audit of Financial Statements

Opinion
We have audited financial statements of **MINAL MEDICAL CENTRE L.L.C, SHARJAH (previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)** (the "Company") which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the key audit matter**
Revenue	
The Company reported a revenue of AED 3,369,432 from skin care treatments and aesthetics, and providing related advisory services.	Our audit procedures included a combination of controls testing, data analysis and other substantive procedures included, but were not limited to, the following:

continued….

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	**How our audit addressed the key audit matter**
Revenue	
The Company reported a revenue of AED 3,369,432 from skin care treatments and aesthetics, and providing related advisory services. We focused this area of the audit as there is an inherent risk related to the accuracy and completeness of revenue recognised given the complexity of the systems and changing mix of products and services, including a variety of plans available for customers. Due to the estimates made, complexities involved and judgements applied in the revenue process, we have considered this matter as a key audit matter.	Our audit procedures included a combination of controls testing, data analysis and other substantive procedures included, but were not limited to, the following: • obtaining an understanding of the significant revenue processes including performance of an end to end walkthrough of the revenue process and identifying the relevant controls (including Information Technology ("IT") systems, interfaces, revenue assurance and reports); • Reviewing the control environment and tested internal controls over the completeness, accuracy and occurrence of revenue recognised, and testing the design, implementation and the operating effectiveness of the relevant controls; • involving our internal IT specialists to test IT general controls, system interfaces, data/information reporting and application specific controls surrounding relevant revenue systems; • Testing revenue on sample basis for their occurrence, accuracy and recognition, and the accounting treatments adopted and revenue recognised during the year; • performing data analysis and substantive analytical reviews of significant revenue streams to identify inconsistencies and/or unusual movements during the year; • Selected a sample of transactions before and after the year to verify recognition in the current reporting period; • reviewing key reconciliations performed by the Revenue Assurance team; • performing specific procedures to test the accuracy and completeness of adjustments relating to grossing up certain revenue and costs;

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INDEPENDENT AUDITOR'S REPORT
(continued)

Key audit matters	How our audit addressed the key audit matter
Revenue (contd.)	
	• performing procedures to determine if the revenue recognition criteria adopted for all major revenue streams are consistent, appropriate, and in accordance with IFRSs; and • assessing the disclosures in the financial statements relating to revenue as per the requirements of IFRSs.

Emphasis of Matter
We draw attention to Note 2(c) of the financial statements, which states that the uncertainty due to recent Covid-19 outbreak with regard to the future impact on the Company's business performance has also been considered as part of the management's assessment of the Company's ability to continue as a going concern. Given the uncertainty of the situation, the duration of business disruption and related financial impact, if any cannot be reasonably estimated as of the date of our report. Our opinion is not modified with respect to this matter. .

Other Information
Management is responsible for the other information. Other information comprises the Manager's report as required by the UAE Federal Law No. (2) of 2015, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR’S REPORT

(continued)

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.

Those charged with governance are responsible for 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 gives a true and fair view.

continued…

INDEPENDENT AUDITOR'S REPORT
(continued)

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.

Report on Other Legal and Regulatory Requirements
As required by the UAE Federal Law No. (2) of 2015, we report that:

i) We have obtained all the information we considered necessary for the purpose of our audit;

ii) The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;

iii) The Company has maintained proper books of account;

iv) The financial information included in the Manager's report is consistent with the books of account of the Company;

v) The Company has not purchased or invested in any shares during the financial year ended 31 March 2020;

vi) Note 11 to the financial statements reflects material related party transactions and balances, and the terms under which they were conducted;

vii) The Company has not made any social contributions during the financial year ended 31 March 2020; and

viii) Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2020 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 March 2020 and there are no penalties imposed on the Company.

ix)

PKF
Sharjah
United Arab Emirates
9 June 2020

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	2020 AED	2019 AED
ASSETS			
Non-current assets			
Property, plant and equipment	6	300,397	381,048
Intangible asset	7	8,782	--
		309,179	381,048
Current assets			
Inventories	8	133,056	134,219
Other receivables	9	51,000	57,794
Other current assets	10	57,546	176,494
Due from a related party	11	39,417	50,000
Cash and cash equivalents	12	622,274	512,339
		903,293	930,846
Total assets		1,212,472	1,311,894
EQUITY AND LIABILITIES			
Equity funds			
Share capital	13	300,000	300,000
Statutory reserve		108,424	93,928
Retained earnings		117,089	16,280
Total equity funds		525,513	410,208
Non-current liability			
Provision for staff end-of-service benefits	14	289,786	262,366
Current liabilities			
Trade and other payables	15	104,594	240,445
Other current liabilities	16	222,634	297,545
Contract liabilities	17	69,945	101,330
		397,173	639,320
Total liabilities		686,959	901,686
Total equity and liabilities		1,212,472	1,311,894

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

Approved and authorised for issue by the shareholders on 2 June 2020 and signed on their behalf by Mr. Anand Venkatraman Vaidyanathan.

For **MINAL MEDICAL CENTRE L.L.C, SHARJAH**

(Previously known as Minal Specialised Clinic Dermatology L.L.C.)

Anand

MANAGER

AUDITORS PKF U.A.E.

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 AED	2019 AED
Revenue	20	3,369,432	4,062,041
Purchases of inventory		(495,745)	(347,427)
Changes in Inventories		5,204	(18,178)
Gross profit		2,878,891	3,696,436
Other income		--	102
Staff costs	21	(1,861,330)	(2,703,790)
Depreciation	22	(253,228)	(93,037)
Other operating expenses	23	(619,375)	(862,098)
Interest income	24	--	3,813
PROFIT FOR THE YEAR		144,958	41,426
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		144,958	41,426

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Share capital AED	Statutory reserve AED	Retained earnings AED	Total AED
Balance at 1 April 2018	300,000	89,785	778,997	1,168,782
Total comprehensive income for the year	--	--	41,426	41,426
Transfers	--	4,143	(4,143)	--
Dividends paid during the year	--	--	(800,000)	(800,000)
Balance at 31 March 2019	300,000	93,928	16,280	410,208
Adjustment on account of adoption of IFRS 16 [Note 2(d)]	--	--	70,347	70,347
Restated balance at 1 April 2019	300,000	93,928	86,627	480,555
Total comprehensive income for the year	--	--	144,958	144,958
Transfers	--	14,496	(14,496)	--
Dividends paid during the year	--	--	(100,000)	(100,000)
Balance at 31 March 2020	**300,000**	**108,424**	**117,089**	**525,513**

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

MINAL MEDICAL CENTRE L.L.C, SHARJAH

(Previously known as MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C.)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 AED	2019 AED
Cash flows from operating activities		
Profit for the year	**144,958**	41,426
Adjustments for:		
Depreciation of property, plant and equipment	**253,228**	93,037
Assets written off	**6,855**	--
Interest income	**--**	(3,813)
Provision for slow moving inventory	**6,367**	--
Provision for staff end-of-service benefits	**62,325**	19,436
	473,733	150,086
Changes in:		
- Inventories	**(5,204)**	18,178
- Other receivables	**6,794**	30,561
- Other current assets	**17,644**	199,346
- Trade and other payables	**(135,851)**	(70,095)
- Other current liabilities	**(74,911)**	129,385
- Contract liabilities	**(31,385)**	101,330
Staff end-of-service benefits paid	**(34,905)**	(3,103)
Net cash generated from operating activities	**215,915**	555,688
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	**(7,781)**	(78,815)
Payment for intangible asset	**(8,782)**	--
Decrease/(increase) in amounts due from a related party	**10,583**	(25,000)
Interest received	**--**	3,813
Net cash used in investing activities	**(5,980)**	(100,002)
Cash flows from financing activities		
Dividends paid	**(100,000)**	(800,000)
Net cash used in financing activities	**(100,000)**	(800,000)
Net increase/(decrease) in cash and cash equivalents	**109,935**	(344,314)
Cash and cash equivalents at beginning of year	**512,339**	856,653
Cash and cash equivalents at end of year (note 12)	**622,274**	512,339

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 2 to 6.

AUDITORS PKF U.A.E.

1. LEGAL STATUS AND BUSINESS ACTIVITY

a) **MINAL MEDICAL CENTRE L.L.C, SHARJAH** (previously known as Minal Specialised Clinic Dermatology L.L.C.) (the "Company") is a limited liability company registered in Sharjah, United Arab Emirates, in accordance with the provision of Federal Law no. 2 of 2015. The principal place of business is # 401-402, Al Majaz, Behind Al Buhaira Corniche Road, PO Box: 24680, Sharjah, UAE.

b) The Company is engaged in the business of providing clinical and dermatological services.

c) The parent company is Kaya Middle East DMCC and the ultimate parent company is Kaya Limited a company registered in India which is listed on Bombay Stock Exchange and National Stock Exchange.

d) The Company was initially registered as a civil company on 19 May 1997 and commenced its operations since then. With effect from 7 December 2016, vide a share transfer agreement, Kaya Middle East DMCC acquired controlling stake in the Company and the Company was converted into limited liability company carrying on the same business activities.

2. BASIS OF PREPARATION

a) **Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2019, and the requirements of UAE Federal Law No. (2) of 2015.

b) **Basis of measurement**

The financial statements are prepared using historical cost.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) **Going concern**

The financial statements are prepared on a going concern basis.

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

Further, the uncertainty due to recent Covid-19 outbreak with regard to the future impact on the Company's business performance has also been considered as part of the management's assessment of the Company's ability to continue as a going concern. Accordingly, the Company's operations may have been affected by this outbreak of Covid-19 and the management is in the process of assessing the impact of this event. However, the extent to which the Covid-19 may impact the operating results, financial position, and cash flows will depend on future events, which are highly uncertain and an estimate of the potential impact cannot made as of the date of these financial statements (refer note 26).

d) **Adoption of new International Financial Reporting Standards**

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

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:
  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

The impact of adoption of the above standard, amendments, improvements and interpretation and the new accounting policies are explained below in more detail:

IFRS 16: Leases

Impact of adoption

IFRS 16 was issued in January 2016 and is effective for annual periods beginning on or after 1 January 2019, which supersedes the previous guidance in IAS 17 leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 evaluating the substance of transactions involving the legal form of a lease. The standard requires lessees to account for most leases under a single on-balance sheet model and sets out the principles for the recognition, measurement, presentation and disclosure of leases. Lessor accounting remains similar to previous accounting policies. Lessors will continue to classify leases as either operating or finance leases using similar principals as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company adopted modified retrospective transition approach permitted by IFRS 16 with the date of initial adoption of 1 April 2019. Accordingly, the comparative information has not been restated. The Company has elected to measure the Right-of-Use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Based on the approach adopted the Company has made adjustments impacting the retained earnings as on 1 April 2019. On transition to IFRS 16, the Company applied the standard only to those contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed after 1 April 2019.

In applying IFRS 16 for the first time, the Company also applied the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- reliance on previous assessments on whether leases are onerous; the election, by class of underlying asset, not to separate non-lease components from lease components, and instead for each lease component and any associated non-lease components as a single lease component.
- exemptions to operating leases with a remaining lease term of less than 12 months at the date of initial application.
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table summarises the impact of transition to IFRS 16 on opening balances as at 1 April 2019:

	As at 1 April 2019		
	As originally presented	Impact on remeasurement under IFRS 16	Restated under IFRS 16
	AED	AED	AED
Non-current assets			
Property, plant and equipment	381,048	171,651	552,699
Current assets			
Other current assets	176,494	(101,304)	75,190
Total assets	557,542	70,347	627,889
Current liabilities			
Lease liabilities	--	--	--
Total liabilities	**--**	**--**	**--**
Retained earnings	16,280	70,347	86,627

AUDITORS PKF U.A.E.

With regard to the impact for current year, the Company has recognised depreciation and interest expense, instead of lease expenses. Accordingly, the Company has recognised AED 137,471 of depreciation charge and AED Nil of interest expense on these leases. The Company has presented right-of-use assets within ‘Property, Plant and Equipment’. At the reporting date, the lease liability has been fully settled. Adoption of IFRS 16 has also impacted the presentation in the statement of cash flows.

IFRS 16 accounting policies

The application of the new standard required the management to apply the new accounting policy, which is summarised in note 3 (i) to the financial statements under significant accounting policies.

Other amendments, improvements and interpretation

The following amendments, improvements and interpretation which became effective 1 April 2019, did not have any significant impact on the Company’s financial statements:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

New and revised IFRSs in issue but not yet effective

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

- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)

- The Conceptual Framework for Financial Reporting (1 January 2020)

AUDITORS PKF U.A.E.

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

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

a) **Property, plant and equipment**

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

Right of use asset	3 years
Plant and machinery	5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Company and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

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

b) **Intangible asset**

Capital work-in-progress is stated at cost less any impairment losses and is not amortised. This will be amortised from the date the relevant asset is ready for use.

AUDITORS PKF U.A.E.

c) **Impairment of tangible and intangible assets excluding goodwill**

At each reporting date, the management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

d) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is arrived at using Weighted Average Cost (WAC) method and comprises invoice value plus applicable landing charges less discounts. Net realizable value is based on estimated selling prices less any estimated cost of completion and disposal.

e) **Staff end-of-service benefits**

Provision is made for end-of-service benefits payable to non-UAE national employees at the reporting date in accordance with the local labour laws.

f) **Statutory reserve**

Statutory reserve is created by appropriating 10% of the profit of the Company as required by Article 103 of the UAE Federal Law No. (2) of 2015. The shareholders may resolve to discontinue such deduction when the reserve totals 50% of the paid-up share capital. The reserve is not available for distribution except as provided in the Federal Law.

AUDITORS PKF U.A.E.

g) **Revenue recognition**

The Company is engaged in the business of providing clinical and dermatological services.

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

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

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of goods

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

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of significant financing components.

The Company receives short-term advance from its customers. As the period between the transfer of promised goods or services to the customer and when the customer pays for those goods or services is expected to be less than one year, the Company has used the practical expedient in IFRS 15 and not adjusted the consideration for significant financing component.

AUDITORS PKF U.A.E.

Sale of services

The Company provides services that are either sold separately or bundled together with the sale of goods. The services can be obtained from other providers and do not significantly modify or customise the goods.

Contracts for composite sale of goods and services comprise of two performance obligations because the promise to transfer the goods and promise to provide services are capable of been distinct and separately identifiable. The Company allocates the transaction price based on the relative stand-alone selling prices of the goods and services.

The Company has concluded that revenue from sale of services should be recognised over time using output method, if one of the following criteria is met:

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

h) **Contract liabilities**

A contract liability is the obligation to provide services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company provides services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

i) **Staff costs recharged**

Staff costs recharged represents salary costs of certain common staff whose services were availed by the Companies as per the terms agreed with a related party.

j) **Leases**

As a lessee

The Company leases its clinic premises. Rental contracts are typically made for fixed period of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

AUDITORS PKF U.A.E.

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

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

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

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

Lease liabilities

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

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

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

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

AUDITORS PKF U.A.E.

Short-term leases

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

k) **Cash and cash equivalents**

Cash and cash equivalents comprise cash, bank current accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

l) **Foreign currency transactions**

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

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

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

m) **Provisions**

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

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

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

n) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from 1 January 2018, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

AUDITORS PKF U.A.E.

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

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or;
- 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.

p) **Financial instruments**

Classification

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

The classification of financial assets depends on the Company's business model for managing the financial assets that whether the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the cash flows that whether 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. Management determines the classification of its investment at initial recognition.

Financial liabilities are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition

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

AUDITORS PKF U.A.E.

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

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

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

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

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

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

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

Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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

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Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost comprise of trade and other payables.

Impairment of financial assets

Loss allowances are measured on either of the following basis:

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

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

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

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

Offsetting

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 the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Equity

Equity instruments issued by the Company are recorded at the value of proceeds received towards interest in share capital of the Company.

q) **Fair value measurement**

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

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

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

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

4. **SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Classification of financial assets

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

Impairment

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

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

Leases

Determining the lease term

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

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

The right-of-use assets and lease liabilities recognised as at 1 April 2019 are mainly determined based on the Company's expected lease renewal terms derived primarily from the Company's long-term business plans.

Discounting of lease payments

The lease payments are discounted using the Company's incremental borrowing rate ("IBR"), which is 6.25%, due to the absence of implicit rates in the lease contracts.

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

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Recognition of revenue and allocation of transaction price

Identification of performance obligations

Contract revenue is recognized over time as performance obligations are fulfilled in accordance with IFRS 15 – Revenue from Contracts with Customers.

Determine timing of satisfaction of performance obligation

The Company concluded that revenue from services is to be recognized over time as the customer simultaneously receives the benefit as the session is consumed.

The transaction price is allocated to each performance obligations on a relative standalone selling price basis. Management estimates the standalone selling price at contract inception based on observable prices of the type of contract and the services rendered in similar circumstances to similar customers.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Carrying values of property, plant and equipment and intangible asset

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

Inventory provisions

Management regularly undertakes a review of the Company's inventory, stated at AED 139,423 (previous year AED 134,219) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

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

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(p).

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Staff end-of-service benefits

The Company computes the provision for the liability to staff end-of-service benefits stated at AED 289,786 (previous year AED 262,366) assuming that all employees were to leave as of the reporting date and is based on local labour laws. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

6. PROPERTY, PLANT AND EQUIPMENT

	Right of use asset[a]	Plant and machinery	Furniture, fixtures and office equipment	Vehicles	Total
	AED	AED	AED	AED	AED
Cost					
At 1 April 2018	--	4,410,328	571,371	104,357	5,086,056
Additions	--	55,000	23,815	--	78,815
At 31 March 2019	--	4,465,328	595,186	104,357	5,164,871
Adjustment on account of adoption of IFRS 16: Leases	686,229	--	--	--	686,229
At 1 April 2019	686,229	4,465,328	595,186	104,357	5,851,100
Additions	--	381	7,400	--	7,781
Assets written off	--	--	(26,146)	--	(26,146)
At 31 March 2020	**686,229**	**4,465,709**	**576,440**	**104,357**	**5,832,735**
Accumulated depreciation					
At 1 April 2018	--	4,112,906	505,969	71,911	4,690,786
Depreciation	--	70,484	16,064	6,489	93,037
At 31 March 2019	--	4,183,390	522,033	78,400	4,783,823
Adjustment on account of adoption of IFRS 16: Leases	514,578	--	--	--	514,578
At 1 April 2019	514,578	4,183,390	522,033	78,400	5,298,401
Depreciation	137,471	93,654	16,911	5,192	253,228
Adjustments on assets written off	--	--	(19,291)	--	(19,291)
At 31 March 2020	**652,049**	**4,277,044**	**519,653**	**83,592**	**5,532,338**
Carrying amount					
At 1 April 2018	--	297,422	65,402	32,446	395,270
At 31 March 2019	--	281,938	73,153	25,957	381,048
At 31 March 2020	**34,180**	**188,665**	**56,787**	**20,765**	**300,397**

(a)This represents the right to use the clinic premises on lease. This lease is for a period of 5 years.

7. INTANGIBLE ASSET

	Capital work in progress[(a)] AED
Cost	
At 1 April 2018 and 31 March 2019	--
Additions	8,782
At 31 March 2020	**8,782**
Accumulated amortisation	
At 1 April 2018,31 March 2019 and 31 March 2020	--
Carrying amount	
At 1 April 2018	--
At 31 March 2019	--
At 31 March 2020	**8,782**

(a) Capital work in progress represents costs incurred for software installation which is in progress at year end.

	2020 AED	2019 AED
8. INVENTORIES		
Consumables	139,423	134,219
Less: Provision for slow moving inventories	(6,367)	--
	133,056	134,219
9. DEPOSITS AND OTHER RECEIVABLES		
Credit card receivables	--	3,284
Deposits	51,000	54,510
	51,000	57,794
10. OTHER CURRENT ASSETS		
Other advances	--	20,621
Prepayments	57,546	155,873
	57,546	176,494

11. RELATED PARTIES

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

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Related parties comprise the shareholders and fellow subsidiaries.

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

	Shareholders AED	Fellow subsidiaries AED	Total 2020 AED	Total 2019 AED
Due from a related party	--	39,417	**39,417**	
	--	50,000		50,000
Included in trade and other payables	--	--	**--**	
	130,477	--		130,477

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 25.

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

	Shareholders AED	Fellow subsidiaries AED	Total 2020 AED	Total 2019 AED
Recharge of staff costs	--	473,002	**473,002**	
	--	--		--
Staff salaries and benefits	360,000	--	**360,000**	
	360,000	--		360,000
Dividend paid	100,000	--	**100,000**	
	800,000	--		800,000

The Company also receives funds from/provides funds to related parties as working capital facilities, free of interest.

		2020 AED	2019 AED
12.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	**168**	19,377
	Bank balances in current accounts	**622,106**	492,962
		622,274	512,339
13.	**SHARE CAPITAL**		
	Paid up:		
	300 shares of AED 1,000 each	**300,000**	300,000

The shareholders at 31 March 2020 and their interest in the share capital of the company were as follows.

Name	No. of shares	AED
Mr. Adeeb Salem Abdulla Salem[(a)]	153	153,000
Ms. Minal Patwardhan Andrade	75	75,000
Kaya Middle East DMCC	72	72,000
	300	**300,000**

(a) Mr. Ahmed Khalil Mohamed Samea Al Mutawa, the erstwhile shareholder has entered into a share sale and transfer agreement notarised in Sharjah Courts on 4 February 2020 in which he has sold and transferred his 51% shareholding in the Company to Mr. Adeeb Salem Abdulla Salem. Accordingly, the Company has amended its memorandum of association and its license issued by the Economic Development Department, Sharjah, for reflecting this sale and transfer of shares.

		2020	2019
		AED	AED
14.	**PROVISION FOR STAFF END-OF-SERVICE BENEFITS**		
	Opening balance	**262,366**	246,033
	Provision for the year	**62,325**	19,436
	Paid during the year	**(34,905)**	(3,103)
	Closing balance	**289,786**	262,366
15.	**TRADE AND OTHER PAYABLES**		
	Trade payables	**62,963**	57,584
	Accruals	**33,707**	24,572
	Other payables	**7,924**	158,289
		104,594	240,445
16.	**OTHER CURRENT LIABILITIES**		
	VAT payable(net)	**30,875**	46,185
	Other liabilities	**191,759**	251,360
		222,634	297,545

The entire trade and other payables are due for payment in one year.

17.	**CONTRACT LIABILITIES**		
	Contract liabilities relating advance received to fulfill a contract	**69,945**	101,330
	Disclosed as:		
	Current contract liabilities	**69,945**	101,330

18. DIVIDENDS

Dividends declared and approved by the shareholders during the year of AED 100,000 (previous year AED 800,000) represent a dividend per share of AED 333 (previous year AED 2,667).

19. MANAGEMENT OF CAPITAL

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

Capital, which is unchanged from the previous year, comprises equity funds as presented in the statement of financial position and amount due from a related party. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The Company is subject to externally imposed capital requirements as per provisions of the Article 301 of the UAE Federal Law No. (2) of 2015. The Company has complied with all the capital requirements to which it is subject.

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

20. REVENUE

The Company generates revenue from sale of goods at a point in time and rendering services over a period of time. The disaggregated revenue from contracts with customers by geographical segments, service lines and timing of revenue recognition are presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Company's revenue and cash flows.

	2020 AED	2019 AED
Primary Geographical segments		
- U.A.E.	**3,369,432**	4,062,041
Major service lines		
- Products	**486,333**	458,813
- Services	**2,883,099**	3,603,228
	3,369,432	4,062,041
Timing of revenue recognition		
- At a point in time	**486,333**	458,813
- Over period of time	**2,883,099**	3,603,228
	3,369,432	4,062,041

		2020 AED	2019 AED
21.	**STAFF COSTS**		
	Staff salaries and benefits	**2,272,007**	2,684,354
	Staff end-of-service benefits	**62,325**	19,436
		2,334,332	2,703,790
	Less: Recharged to a related party	**473,002**	--
		1,861,330	2,703,790
22.	**DEPRECIATION**		
	Depreciation of property, plant and equipment[(a)]	**253,228**	93,037

(a) Includes depreciation on Right-of-Use asset of AED 137,471 (previous year AED Nil).

		2020 AED	2019 AED
23.	**OTHER OPERATING EXPENSES**		
	Property, plant and equipment written off	**6,855**	--
	Provision for slow moving inventory	**6,367**	--
	Operating lease expenses	**230**	195,450
	Legal and professional fees	**231,284**	54,457
	Visa charges	**46,540**	286,785
	Bank charges	**51,126**	67,360
	Repair and maintenance	**170,188**	154,396
	Other expenses	**106,785**	103,650
		619,375	862,098
24.	**INTEREST INCOME**		
	On bank deposits	**--**	3,813

25. **FINANCIAL INSTRUMENTS**

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

	At amortised cost	
	2020 AED	2019 AED
Financial assets		
Other receivables	**51,000**	57,794
Due from a related party	**39,417**	50,000
Cash and cash equivalents	**622,274**	512,339
	712,691	620,133
Financial liabilities		
Trade and other payables	**104,594**	240,445

Management of risks

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

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

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

Management continuously monitors its cash flows to determine its cash requirements in order to manage exposure to liquidity risk.

Exposures to the aforementioned risks are detailed below:

Credit risk

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

The Company's bank accounts are placed with high credit quality financial institutions.

The management assesses the credit risk arising from other receivables and due from a related party taking into account their financial position, past experience and other factors. Based on the assessment, individual risk limits are determined.

At the reporting date, there is no significant concentration of credit risk from other receivables (previous year Nil)

At the reporting date, there is no significant concentration of credit risk from any particular industry as the Company's customers are mainly individuals.

Currency risk

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

Interest rate risk

The Company is not exposed to any significant interest rate risk.

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Fair values

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

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

26. **SIGNIFICANT EVENTS**

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. As a result, the businesses have seen reduced customer movements and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities, including shopping malls. The situation continues to be complex and rapidly evolve and therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage. Hence, a reliable estimate of the financial impact cannot be reliably ascertained at the date of approval of these financial statements. The management considers this to be non-adjusting, however these events could impact the Company's financial results, cash flows and financial position during the financial year ending 31 March 2021 [note 2 (c)].

For **MINAL SPECIALISED CLINIC DERMATOLOGY L.L.C**

(Previously known as Minal Specialised Clinic Dermatology L.L.C.)

MANAGER

AUDITORS PKF U.A.E.