

GREENLAM EUROPE (UK) LTD
(Co. Registration No. 8220580)

(Incorporated in The United Kingdom of Great Britain and Northern Ireland)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

GREENLAM EUROPE (UK) LTD
(Incorporated in The United Kingdom of Great Britain and Northern Ireland)
DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of the Company for the financial year ended 31st March 2025.

In the opinion of directors,

- (a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with the notes thereto as set out on pages 5 to 24 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2025 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended;
- (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; and
- (c) management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provision of the Act and International Financial Reporting Standards (IFRS), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized 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.

DIRECTORS

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

Saurabh Mittal
Vaibhav Sharma

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, other than as disclosed under "Share options" in this statement.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

- a) According to the register of directors' shareholdings kept by the Company under the Act, the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations, except as stated below:

(No. of ordinary shares)	Holdings registered in the name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31 st March 2025	At 1 st April 2024	At 31 st March 2025	At 1 st April 2024
<u>Company</u>				
S Mittal	-	-	11,645,855	11,645,855
V Sharma	-	-	-	-
<u>Immediate holding Co.</u>				
Greenlam Asia Pacific Pte. Limited	188,279	188,279	-	-
<u>Ultimate holding Co.</u>				
Greenlam Industries Limited	1	1	-	-
<u>Directors having interest in above holding companies</u>				
S Mittal	11,645,855	11,645,855	-	-
V Sharma	-	-	-	-

GREENLAM EUROPE (UK) LTD
(Incorporated in The United Kingdom of Great Britain and Northern Ireland)
DIRECTORS' STATEMENT (CONT'D)

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

The immediate holding company of the company is Greenlam Asia Pacific Pte Ltd, a Company incorporated in Singapore. The ultimate holding company is Greenlam Industries Limited, a company incorporated in India

Except as disclosed in this statement, no director who held office at the end of financial year had interests in shares, debentures, warrants or share options 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.

- (b) The directors' interest in the ordinary shares of the Company as at 07 MAY 2025 were the same as those as at 31st March 2025.

SHARE OPTIONS

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

There were no shares 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 Independent auditors, Folkes Worton LLP, Chartered Accountants of England and Wales, have expressed their willingness to accept re-appointment.

On behalf of the Board


.....
Vaibhav Sharma
Director

Place: LONDON, UK

Date: 07/05/2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREENLAM EUROPE (UK) LTD. (CO. REGISTRATION NO. 08220580) FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025.

Opinion

We have audited the financial statements of Greenlam Europe (UK) Limited (the 'company') for the year ended 31st March 2025 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable to UK law and International Financial Reporting Standards (IFRS').

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2025 and of its profit for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going-concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page one, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 (UK) 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.

Irregularities include fraud and other instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities. The extent to which our procedures are capable of detecting irregularities is detailed below:

Identifying and responding to risks of material misstatement due to fraud

The level of risk and ability to detect irregularities due to fraud was considered during the planning stage of the audit. A risk assessment was undertaken, taking into consideration the Company's policies, procedures and enquiries with management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and considering our overall knowledge of the control environment, we performed procedures to address the risk of management override of controls and the risk of fraudulent transactions, in particular the risk that management may be in a position to make inappropriate accounting entries.

We performed procedures including:

- Evaluating the business purpose of journal entries and comparing the identified entries to supporting documentation.
- Evaluating the business purpose of significant bank payments and receipts and comparing these to supporting documentation.
- Walkthrough and further substantive testing on sales and purchases to identify weaknesses and override of internal controls.
- Using analytical procedures to identify any unusual or unexpected variances.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

The level of risk and ability to detect irregularities due to non-compliance with laws and regulations was considered during the planning stage of the audit. A risk assessment was undertaken, taking into consideration the company's policies, procedures and compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The company is subject to laws and regulations that directly affect the financial statements, including financial reporting and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The company is also subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, there is a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report - Restriction

These financial statements are solely prepared for the use of consolidation with the holding company and preparation of APR certificate by ultimate Holding Co and not for any other purposes. It has been confirmed by the group auditors that signing of the statements of financial position on page 6 by a director is not required. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Hegney FCCA (Senior Statutory Auditor)
for and on behalf of Folkes Worton LLP, Statutory Auditors
15-17 Church Street
Stourbridge
West Midlands
DY8 1LU

Date: 8th May 2025

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2025

	<u>Note</u>	<u>2025</u> £	<u>2024</u> £
ASSETS			
Current assets			
Inventories	7	1,174,427	2,473,779
Cash and cash equivalents	8	140,988	223,593
Trade and other receivables	9	825,134	476,821
		<u>2,140,549</u>	<u>3,174,193</u>
Total assets		2,140,549	3,174,193
LIABILITIES			
Current liabilities			
Trade and other payables	10	1,330,315	848,131
Amount due to holding company	11	8,700	1,104,298
Provision for taxation	17	126,002	227,024
		<u>1,465,017</u>	<u>2,179,453</u>
Total Liabilities		1,465,017	2,179,453
NET ASSETS		675,532	994,740
EQUITY			
<i>Capital and reserves attributable to equity holders of the Company</i>			
Share capital	4	188,280	188,280
Accumulated profits		487,252	806,460
TOTAL EQUITY		675,532	994,740

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

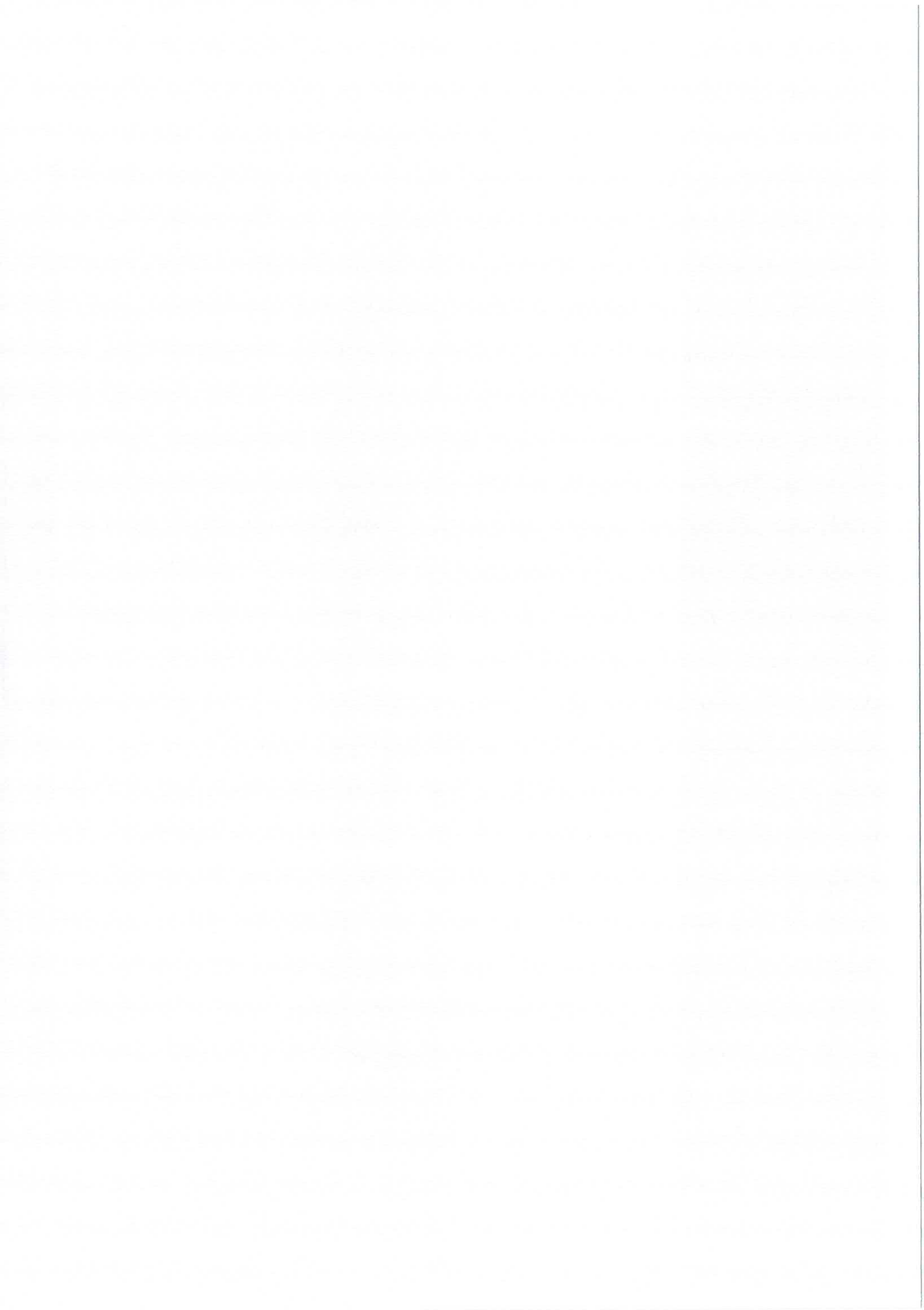
	<u>Note</u>	<u>2025</u> £	<u>2024</u> £
Revenue	12	16,680,249	12,230,011
Cost of sales	13	(14,292,618)	(9,965,766)
Gross profit		2,387,631	2,264,245
Less:			
- Administrative expenses		(640,272)	(581,290)
- Employee Compensation		(792,249)	(765,259)
		(1,432,521)	(1,346,549)
Profit from operations	14	955,110	917,696
Less: Finance costs	15	-	(9,598)
Profit before tax		955,110	908,098
Income tax expense	17	(238,778)	(227,024)
Profit after tax		716,332	681,074
Profit for the year		716,332	681,074
<u>Other comprehensive income:</u>			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income		716,332	681,074

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31ST March 2025

	Attributable to equity holders of the Company		
	<u>Share Capital</u> £	<u>Accumulated Profits</u> £	<u>Total Equity</u> £
Balance as at 31 st March 2023	188,280	125,386	313,666
Dividend paid during the year	-	-	-
Total comprehensive income	-	681,074	681,074
Balance as at 31 st March 2024	<u>188,280</u>	<u>806,460</u>	<u>994,740</u>
Dividend paid during the year	-	1,035,540	1,035,540
Total comprehensive income	-	716,332	716,332
Balance as at 31st March 2025	<u>188,280</u>	<u>487,252</u>	<u>675,532</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)



STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST March 2025

	<u>Note</u>	<u>2025</u> £	<u>2024</u> £
<u>Cash flows from operating activities</u>			
Profit before tax		716,332	681,074
Adjustments for:			
-Provision for Taxation	17	238,778	227,024
Change in working capital:			
- Inventories	7	1,299,353	(1,408,607)
- Trade and other receivables	9	(348,313)	277,633
- Trade and other payables	10	(613,415)	848,277
		337,625	(282,697)
Cash generated from operations			
Income tax paid	17	339,800	33,437
Net cash flows from operating activities		(2,175)	591,964
<u>Cash flows from financing activities</u>			
Loan repaid		-	(450,000)
Dividends Paid		(1,035,540)	-
Net cash flows from financing activities		(1,035,540)	-
Net changes in cash and cash equivalents		(82,605)	141,964
Cash and cash equivalents at beginning of the financial year		223,593	81,629
Cash and cash equivalents at end of the financial year	8	140,988	223,593

(The Anaxed notes form an integral part of and should be read in conjunction with these financial statements.)

1. General information

Greenlam Europe (UK) Limited (the "Company") is incorporated and domiciled in United Kingdom with its registered office and principal place of business is situated at 3 Brindley Place, Birmingham, B1 2JB.

The principal activities of the Company relate to the business of general wholesale trade of high pressure laminates. There have been no significant changes in the nature of these activities during the financial year.

The immediate holding company of the company is Greenlam Asia Pacific Pte. Ltd a company incorporated in Singapore. The ultimate holding company of the company is Greenlam Industries Limited, a company incorporated in India.

2. Material Accounting Policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

Interpretations and amendments to published standards effective in 2024

On 1st January 2024, the Company adopted the new or amended IFRS and Interpretations of IFRS ("INT IFRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and INT IFRS.

2.2 Leases

(i) *When the Company is the lessee:*

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

• Right-of-use assets

The Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets. These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets (except for those which meets the definition of an investment property) are presented within 'Property, plant and equipment' or as a separate line item on the statement of financial position. Right-of-use asset which meets the definition of an investment property is presented within 'Investment properties' and accounted for accordingly.

• Lease liability

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

2. Material Accounting Policies (Cont'd)

2.2 Leases (cont'd)

(i) *When the Company is the lessee (cont'd):*

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

For contract that contain both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Company has elected to not separate lease and non- lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Company's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

• Short term and low value leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

• Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2.3 Revenue recognition

Sales are recognised when control of the goods has transferred to its customer, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Company's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a contract liability. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. The claims are expected to be settled in the next financial year. A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

Interest income

Interest income, including income arising from fixed deposits and other financial instruments, is recognized using the effective interest method.

2. Material Accounting Policies (Cont'd)

2.4 Property, plant and equipment

a) Measurement

(i) Plant and equipment

Plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Component of costs

The cost of an item of plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition.

(b) Depreciation

Depreciation of plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Office equipment 3 years

The residual values estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognized in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss within "Other gains/losses – net". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2.5 Financial assets

The accounting for financial assets is as follows:

(a) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

2. Material Accounting Policies (Cont'd)

2.5 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities. There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

Amortized cost:

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

FVOCI:

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognized in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit and loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognized using the effective interest rate method and presented in "interest income".

FVPL:

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortized cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognized in profit or loss in the period in which it arises and presented in "other gains and losses".

(ii) Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognized in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading.

The Company has elected to recognize changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income. Dividends from equity investments are recognized in profit or loss as "dividend income".

2. Material Accounting Policies (Cont'd)

2.5 Financial assets (cont'd)

(b) Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, lease receivables and contract assets, the Company applies the simplified approach permitted by the IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(c) Recognition & Derecognition

Regular way purchases and sales of financial assets are recognized on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognized in profit or loss if there was no election made to recognize fair value changes in other comprehensive income.

If there was an election made, any difference between the carrying amount and sales proceed amount would be recognized in other comprehensive income and transferred to retained profits along with the amount previously recognized in other comprehensive income relating to that asset. Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(d) Offsetting of financial instruments

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

2.6 Financial guarantees

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

- (a) premium received on initial recognition less the cumulative amount of income recognized in accordance with the principles of IFRS 15; and
- (b) the amount of expected loss computed using the impairment methodology under IFRS 9.

2.7 Financial liabilities

Financial liabilities include trade payables, other amounts payable and interest-bearing loans. Financial liabilities are recognized on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method. Financial liabilities represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are represented as non-current liabilities. Gains and losses are recognized in the income and expenditures statement when the liabilities are derecognized as well as through the amortization process. The liabilities are derecognized when the obligation under the liability is discharges or cancelled or expired.

2.8 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities. Borrowings are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

2. Material Accounting Policies (Cont'd)

2.9 Impairment of non- financial assets

Property, plant and equipment and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognized as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognized in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognized as an expense, a reversal of that impairment is also recognized in profit or loss.

2.10 Inventories

Inventories are carried at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average cost method. However, goods-in-transit due to its very nature is presented at cost. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any allowance for write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs.

At the end of each year Company identifies old and slow-moving inventories and makes provision for the same in the Income Statement. The amount of any reversal of any allowance made previously for write-down of inventories, arising from subsequent sales of such items to the extent of quantities sold is recognized as revenue in the income statement. The Company will keep the provision in the Accounts in Statement of Financial Position until such time the inventories are fully written off.

2.11 Income taxes

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

Deferred income tax is recognized 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 liability is recognized on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred income tax asset is recognized 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 utilized.

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the Statement of Financial Position date; and
- (b) based on the tax consequence that will follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

2. Material Accounting Policies (Cont'd)

2.11 Income taxes (cont'd)

Current and deferred income taxes are recognized 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 recognized directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition. The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognized for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilized.

2.12 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, which is probable of resulting in a future outflow of economic benefits that can be measured reliably.

2.13 Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.14 Employee Compensation

Employee benefits are recognized as an expense, unless the cost qualifies to be capitalized as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(b) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed at the earlier of the following dates: (a) when the Company is terminating the employment of current employees according to a detailed formal plan without possibility of withdrawing the offer of those benefits; and (b) when the Company recognizes costs for a restructuring that is within the scope of IFRS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

2.15 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Sterling Pounds, which is the functional currency of the Company.

(b) Transactions and balances

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 translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognized in profit or loss.

2. Material Accounting Policies (Cont'd)

2.16 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.17 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

2.18 Share capital & dividends

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds.

Dividends to the Company's shareholders are recognized when the dividends are approved for payment.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, 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. 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.

Uncertain tax positions

The Company is subject to income taxes in United Kingdom jurisdiction. In determining the income tax liabilities, management has estimated the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions") at its tax jurisdiction. The Company has significant open tax assessments with a tax authority at the statement of financial position date. As management believes that the tax positions are sustainable, the Company has not recognized any additional tax liability on these uncertain tax positions.

Provision for expected credit loss (ECL's) of trade receivables

Based on the Company's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Within each revenue segment, the Company has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected loss rates by grouping the receivables across geographical regions in each revenue segment. Notwithstanding the above, the Company evaluates the expected credit loss on customers in financial difficulties separately.

Critical judgement over the lease terms

Extension option is included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option. The Company considers other factors including its historical lease periods for similar assets, costs required to obtain replacement assets, and business disruptions. The assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

4. Share capital

	Issued Share Capital	
	No. of Ordinary shares	Amount £
<u>As at 31st March 2024 & 31st March 2025</u>		
Beginning of the financial year	188,280	188,280
Shares issued	-	-
End of the financial year	188,280	188,280

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and a right to receive dividends as and when declared by the Company. The Company is not exposed to any externally imposed capital requirements and there are no restrictions to issue shares.

5. Property, Plant and equipment

	<u>Office / warehouse equipment</u>	<u>Total</u>
<u>Cost</u>	<u>£</u>	<u>£</u>
Balance as at 31 st March 2023	3,862	3,862
Additions	-	-
Disposals / Assets Written off	-	-
Balance as at 31 st March 2024	3,862	3,862
Additions	-	-
Disposals / Assets Written off	-	-
Balance as at 31 st March 2025	3,862	3,862
<u>Accumulated depreciation</u>		
Balance as at 31 st March 2023	3,862	3,862
Depreciation for the year	-	-
Disposals / Assets Written off	-	-
Balance as at 31 st March 2024	3,862	3,862
Depreciation for the year	-	-
Disposals / Assets Written off	-	-
Balance as at 31 st March 2025	3,862	3,862
<u>Net book value</u>		
As at 31 March 2024	-	-
As at 31 March 2025	-	-

6. Right-of-use assets / Lease liability

Right-of-use of assets acquired under leasing arrangements of the same class of assets are presented in line with IFRS 16. There are no identifiable right of use assets lease and liabilities for the company as at the date of statement of financial position.

7. Inventories

	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>
Finished goods	45,604	1,332
Goods in transit	1,128,823	2,472,447
	1,174,427	2,473,779

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

8. Cash and cash equivalents

	<u>2025</u>	<u>2024</u>
	£	£
Cash in hand	222	178
Cash at bank	140,766	223,415
Cash and cash equivalents per statement of cash flows	140,988	223,593

The cash & cash equivalents approximate its fair value as on the statement of financial position date and are denominated in Sterling Pounds

9. Trade and other receivables

	<u>2025</u>	<u>2024</u>
	£	£
<i>Trade receivables [third parties]</i>	807,977	468,306
<i>Other Receivables</i>		
Deposits	1,358	1,358
Prepayments	6,150	7,157
Other	9,649	-
	17,157	8,515
Total trade and other receivables	825,134	476,821

The credit period of trade receivables is 7 - 180 days. Trade and other receivables approximate its fair value as on the statement of financial position date and are denominated in Sterling Pounds

10. Trade and other payables

	<u>2025</u>	<u>2024</u>
	£	£
<i>Trade payables [related parties] (note 11)</i>	8,700	1,104,298
<i>Trade payables [third parties]</i>	87,447	49,029
	96,147	1,153,327
Other payables:		
Accruals for operating expenses	306,888	155,314
Social Security & other taxes	20,417	119,045
VAT Payable	911,556	506,216
Other Creditors	4,007	18,527
	1,242,868	799,102
Total trade & other payables	1,339,015	1,952,429

The credit period of trade payables is 30-180 days. Trade & other payables approximate its fair value as on the statement of financial position date and are denominated in Sterling Pounds

11. Amount due to holding company

	<u>2025</u>	<u>2024</u>
	£	£
Greenlam Industries Limited	8,700	1,104,298

The amount due to holding company is trade in nature and under the normal trade terms of 30 - 180 days; approximates its fair value as on the statement of financial position date and is denominated in Sterling Pounds

12. Revenue

	<u>2025</u>	<u>2024</u>
	£	£
<i>Recognized at a point in time</i>		
Sale of goods	16,680,249	12,230,011

Sale of goods revenue represents the invoiced value net of discounts during the financial year and is recognized when the entity has transferred the control over goods upon satisfaction of performance obligations to the buyer. The revenue is recognized upon successful satisfaction of performance obligation as per 'IFRS 15 - Revenue from contracts with customers.'

13. Cost of sales

	<u>2025</u>	<u>2024</u>
	£	£
Opening stock	2,473,779	1,065,172
Add: Purchases during the financial year	12,521,449	10,976,517
Add: Freight and handling charges		
- Freight charges	471,817	397,856
- Handling and Packing materials		
Stock written off / provision		
Less: Closing stock (Note 7)	1,174,427	2,473,779
Inventory recognized as expense during the year	14,292,618	9,965,766

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

14. Profit from operations

The profit from operations is arrived after charging following *major* expenses:

	<u>2025</u>	<u>2024</u>
	£	£
Audit fee	13,200	12,000
Conveyance	28,063	38,575
Overseas Travelling	95,297	63,415
Rent	21,439	19,939
Quality Claim Rebate	23,752	-
Consultancy Fee's	312,382	245,655
Insurance	<u>29,236</u>	<u>28,081</u>

15. Finance costs

	<u>2025</u>	<u>2024</u>
	£	£
Interest expense	-	9,598
Bank charges & commission	<u>1,994</u>	<u>3,352</u>
	<u>1,994</u>	<u>12,950</u>

16. Employee Compensation

	<u>2025</u>	<u>2024</u>
	£	£
Salaries, bonus and allowances	254,168	235,440
Social Security	30,500	24,701
Employer's contribution to defined contribution plans	<u>3,427</u>	<u>3,194</u>
	<u>288,095</u>	<u>263,335</u>

Employee Compensation (cont'd)

Directors' remuneration (key management personnel compensation) *not* recognized within staff costs are as follows:

	<u>2025</u>	<u>2024</u>
	£	£
Salaries, bonus, fee & allowances	441,000	441,000
Social Security	61,833	59,603
Employer's contribution to defined contribution plans	<u>1,321</u>	<u>1,321</u>
	<u>504,154</u>	<u>501,924</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

17. Taxation

	<u>2025</u>	<u>2024</u>
	£	£
Balance as at 1 st April	227,024	33,437
Current year tax	238,778	227,024
Previous year (over) / under provision	-	-
Income tax paid	(339,800)	(33,437)
Balance as at 31 st March	<u>126,002</u>	<u>227,024</u>

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable rate are as follows: -

	<u>2025</u>	<u>2024</u>
	£	£
Profit before income tax	<u>955,110</u>	<u>908,098</u>
Tax calculated at tax rate of 25%	<u>238,778</u>	<u>227,024</u>

18. Significant related party transactions

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

	<u>2025</u>	<u>2024</u>
	£	£
Purchases of inventories from immediate holding corporation	12,521,449	10,976,517
Amount due to holding company (trade)	8,700	1,104,298
Key management personnel compensation	<u>504,154</u>	<u>501,924</u>

19. Contingencies & commitments

Contingent liabilities, of which the probability of settlement is not remote at the statement of financial position date, are as none.

Capital expenditures contracted for at the statement of financial position date but not recognized in the financial statements, are none.

20. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk, etc.), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize any adverse effects from the unpredictability of financial markets on the Company's financial performance. The management continuously monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

21. Financial risk management (cont'd)

21.1 Market risk

(a) Currency risk

The Company has limited exposure to foreign currency risk as part of its normal business. The functional currency of the Company is in Sterling Pounds (GBP). As such the Company's sales and purchase transacted in identical currencies are hedged naturally.

The Company's currency exposure based on the information provided to key management is as follows:

<u>As at 31st March 2025</u>	<u>Others</u>	<u>Euro</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Financial assets			
Cash & cash equivalents	-	13,005	13,005
Trade & other receivables	-	-	-
	<u>-</u>	<u>13,005</u>	<u>13,005</u>
Financial liabilities	<u>-</u>	<u>-</u>	<u>-</u>

Foreign currency sensitivity

If the relevant foreign currency change against GBP by 10%, with all other variables including tax rate being held constant, the effects arising from the financial asset/liability position will be as follows.

If the foreign currency *strengthens* by 10% against the functional currency of the Company, statement of comprehensive income and other equity will increase/ (decrease) by:

	<u>Financial Assets</u>		<u>Financial Liabilities</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
(Net of tax @ 25%):				
Profit / (loss)	975	996	-	-
Other equity	-	-	-	-
	<u>975</u>	<u>996</u>	<u>-</u>	<u>-</u>

If the foreign currency *weakens* by 10% against the functional currency of the Company, statement of comprehensive income and other equity will have equal but opposite effect.

(b) Interest rate risk

The interest rate risk and its sensitivity are not applicable to the Company as there are no interest-bearing financial assets and liabilities exists as at the date of statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

21.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are trade receivables. For trade receivables, the Company adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Company adopts the policy of dealing only with high credit quality counterparties. Credit exposure to an individual customer is restricted by credit limit approved by the credit controller. Customers' payment profile and credit exposure are continuously monitored by the credit controller and reported to the management and Board of Directors. As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The Company uses a provision matrix to measure the 12-month expected credit losses and/or lifetime expected credit loss allowance for trade receivables and contract assets. In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macro-economic factors affecting the ability of the customers to settle the receivables. Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Company.

The Company's credit risk exposure in relation to trade receivables under FRS 109 as at 31 March 2025 are set out in the provision matrix as follows:

-	0 - 60 days	61 - 120 days	121 - 180 days	181 days & above	TOTAL
	£	£	£	£	£
Ageing for previous year 2024 (A)	392,457	75,849	-	-	468,306
Bad debts / provision during 2021 (B)	-	-	-	-	-
Credit loss % (C) = (B/A)	-	-	-	-	-
Ageing for current year 2025 (D)	634,323	173,654	-	-	807,977
Credit loss expected in current year {E = (D x C) or actual provision, whichever is higher}	-	-	-	-	-
Credit loss % (F) = (E/D)	-	-	-	-	-

The credit risk for trade receivables based on the information provided to key management is as follows: -

	2025	2024
	£	£
<u>By geographical areas:</u>		
United Kingdom	807,977	468,306
	<u>807,977</u>	<u>468,306</u>
<u>By types of customers:</u>		
Related parties	-	-
Non-related parties	807,977	468,306
	<u>807,977</u>	<u>468,306</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

21. Financial risk management (cont'd)

21.3 Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions at a short notice. At the statement of financial position date, assets held by the Company for managing liquidity risk included cash and short-term deposits.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity group is based on the remaining period from the statement of financial position date to the contractual maturity date (contractual and undiscounted cash flows): -

31st March 2025	Maturity < 1 year	Total
<i>Financial Liabilities</i>	£	£
Amount due to holding company	8,700	8,700
Trade and other payables	1,339,015	1,339,015
Taxation	126,002	126,002
Total	1,473,717	1,473,717

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents) of the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Company in accordance with the practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

21.4 Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize 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. Management monitors capital based on a gearing ratio.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	2025	2024
	£	£
Net debt	1,198,027	1,728,837
Total equity	675,532	994,740
Total capital	1,873,559	2,723,576
Gearing ratio (%)	64%	63%

The Borrowers leverage ratio is calculated as total liability of the Company divided by tangible net worth of the Company.

	2025	2024
	£	£
Total liability	1,465,017	2,179,454
Tangible net worth	675,532	994,740
Leverage ratio	2.17 times	2.19 times

21.5 Fair value measurements

The following represents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value measurements are not applicable to the Company as there are no financial instruments of the types of level 1, 2 or 3 exists as at the date of statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

22. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 January 2025 and which the Company has not early adopted.

Amendments to:

<u>Annual periods commencing on</u>	<u>Description</u>
1 January 2025	Amendments to IFRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability
1 January 2026	Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments
1 January 2027	Annual Improvements to IFRS - Volume 11 IFRS 18: Presentation and Disclosure in Financial Statements IFRS 19: Subsidiaries without Public Accountability: Disclosures

23. Authorization of financial statements

These financial statements of the Company as at 31st March 2025 and for the financial year then ended were authorized and approved for issuance in accordance with a resolution of the Board of Directors of **Greenlam Europe (UK) Limited** on

07th May 2025.