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Concord Enviro S.A.De.C.V

Independent Auditor's Report

Auditor's Report to the Shareholders of
Concord Enviro S.A.De.C.V.
Mexico.

Report on the Financial Statements

We have audited the financial statements of Concord Enviro S.A.De.C.V., comprising of the balance sheet as on 31 March 2025, cash-flow statement and income statement for the year 2024-25.

Auditor's responsibility

Our responsibility is to express our opinion on the financial statements of your company based on our audit. We have conducted the audit in an independent and fair manner in accordance with International Standards of Auditing and the standards applicable to financial audits. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

We have followed the procedures mentioned in our detailed audit plan to collect evidence about the disclosures made in the financial statements and have made the necessary risk assessments based on our judgment and experience. We believe that the evidence so collected during our audit is sufficient to formulate our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Concord Enviro S.A.De.C.V. as of 31 March 2025 and its performance and cash flows indicated are in accordance with the accounting principles.

Rafael Gerardo Monroy Ortega
Date: 30 April 2025.

Concord Enviro S.A.De.C.V.
NOTES TO FINANCIAL STATEMENTS

1. STATUS AND ACTIVITIES

Concord Enviro S.A.De.C.V., Mexico is company with limited liability registered with Government of Mexico on January 23, 2009.

The name of the sole shareholder and its shareholdings is as follows:

Name of Shareholder	Nationality	No.of Shares	Amount in Peso
Concord Enviro Fze, Sharjah	U.A.E.	49,999	49,999
Ashish Singal	Indian	1	1

Principal activity of the company is Water purification by filtration, pasteurization & reserve osmosis.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the company has been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board.

It should be noted that accounting estimates and assumptions are used in preparing the financial statements. Although the estimates are based on Management's best knowledge of current events and actions, actual result may ultimately differ from these estimates.

The following accounting policies, which comply with IFRS, have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies are consistent with those used in the previous year.

Accounting basis

The financial statements have been prepared under the accrual basis with the exception of staff and of service benefits, leave salary and air tickets which are accounted for when paid.



Property, plant and equipment's

Fixed assets are depreciated on cost using written down value method at rates calculated to depreciate the assets concerned over their estimated useful lives.

The annual rate of depreciation used are as follows:

Plant and machinery : 10%

Office Equipment : 10%

Vehicles : 25%

Computer : 30%

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank current accounts.

Impairment and collectability of financial statements

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of financial asset may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and an impairment recognized for difference between the recoverable amount and the carrying amount. Impairment losses are recognized in the statement of comprehensive income.

Account payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services, whether billed by the supplier or not.

Provision

A provision is recognized when the company has an obligation, legal or constructive arising from past event and cost to settle the obligation are both probable and able to be reliably measured.

Foreign currencies

Transactions in foreign currencies, if any are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All the difference are taken to the statement of comprehensive income.



CONCORD ENVIRO MEXICO S.A. DE C. V.
BALANCE SHEET AS ON 31.03.25

<u>PARTICULARS</u>	<u>Schedule</u>	31.03.2025	31.03.2024
		PESO	PESO
<u>ASSETS</u>			
<u>Non Current Assets</u>			
Property, plant and equipment	3	9,153,630	2,249,228
<u>Current Assets</u>			
<u>Financial assets</u>			
Inventories	4	4,543,950	-
Trade receivables	5	7,430,924	9,860,000
Cash and cash equivalents	6	639,631	20,409,171
Other financial assets	7	6,500	6,500
Other current assets	8	107,104,553	8,178,369
Total Current assets		119,725,559	38,454,039
Total Assets		128,879,189	40,703,267
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share Capital	9	50,000	50,000
Reserves & Surplus	10	23,459,973	23,357,343
Total Equity		23,509,973	23,407,343
<u>Current liabilities</u>			
<u>Financial liabilities</u>			
Trade payables	11	29,426,773	11,643,863
Loan from related party	12	75,362,866	-
Other current liabilities	13	579,577	5,652,061
Total Current liabilities		105,369,216	17,295,924
Total Equity and Liabilities		128,879,189	40,703,267

Material accounting policies and notes to financial statements

1 to 21

The accompanying notes are an integral part of the financial statements.

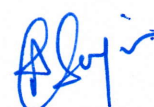
As per our report of even date
For Intergest Mexico



Rafael Gerardo Monroy Ortega
BPO Partner

Place: Mexico
Date: 30-04-2025

For and on behalf
Concord Enviro S.A. DE C.V.



Ashish Singal
Manager

Place: Mexico
Date: 30-04-2025

CONCORD ENVIRO MEXICO S.A. DE C. V.
PROFIT & LOSS ACCOUNT AS ON 31.03.2025

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2025</u>	<u>31.03.2024</u>
		PESO	PESO
<u>Income</u>			
Revenue from operations	14	106,786,432	154,822,500
Other income	15	109,609	684,866
Total Income		106,896,041	155,507,366
<u>Expenses</u>			
Cost of raw material consumed	16	69,909,290	112,448,259
Employee benefits expense	17	11,583,680	6,840,538
Finance Cost	18	4,076,237	-
Depreciation	19	2,027,607	93,531
Operating and other expenses	20	18,456,807	9,391,885
Total Expenses		106,053,622	128,774,214
Profit/(loss) before tax		842,420	26,733,152
Less:- current tax		739,790	1,860,344
Profit/(loss) for the period		102,630	24,872,808
Profit (Loss) for the period from continuing operations		102,630	24,872,808

Material accounting policies and notes to financial statements

1 to 21

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Manager

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CONCORD ENVIRO MEXICO S.A. DE C. V.
Cash flow statement as on 31.03.2025

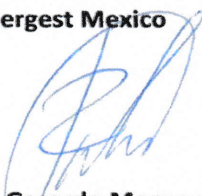
<u>PARTICULARS</u>	<u>31.03.2025</u> PESO	<u>31.03.2024</u> PESO
A. Cash flows from operating activities		
Net profit / (losses) for the year	102,630	24,872,808
Depreciation	2,027,607	93,531
Interest income	(107,683)	(684,866)
Finance cost	4,076,237	-
Operating cash flow before working capital changes	6,098,790	24,281,474
Decrease/(increase) in trade receivables	2,429,076	(9,860,000)
Decrease/(increase) in inventories	(4,543,950)	-
Decrease/(increase) in other assets	(98,926,184)	6,361,553
Increase /(decrease) in trade payables	17,782,910	(2,962,748)
Increase/(decrease) in other payables	(5,072,484)	(70,214,521)
Net cash generated from operating activities	(82,231,843)	(52,394,242)
B. Cash flows from Investing activities		
Purchase of fixed assets	(8,932,009)	(2,342,759)
Interest income	107,683	684,866
Net cash generated from/(used in) investing activities	(8,824,326)	(1,657,893)
C. Cash flows from financing activities		
Proceeds from borrowing	75,362,866	-
Interest paid	(4,076,237)	-
	71,286,629	-
 Net increase in cash and cash equivalents	 (19,769,539)	 (54,052,136)
cash and cash equivalents at the beginning of the year	20,409,171	74,461,306
cash and cash equivalents at the end of the year	639,631	20,409,171

Material accounting policies and notes to financial statements

1 to 21

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Intergest Mexico


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BPO Partner

Place: Mexico
Date: 30-04-2025

For and on behalf
Concord Enviro S.A. DE C.V.


Ashish Singal
Manager

Place: Mexico
Date: 30-04-2025

CONCORD ENVIRO MEXICO S.A. DE C. V.
Statement of Changes in Equity

(A) Equity share capital

Particulars	Amount
Balance as at April 01, 2023	50,000.00
Issue of equity shares	-
Balance as at March 31, 2024	50,000.00
Issue of equity shares	-
Balance as at March 31, 2025	50,000.00

(B) Other equity

Particulars	Retained earnings
Balance as at April 01, 2023	(1,515,465.15)
Profit / (loss) for the year	24,872,808.04
Balance as at March 31, 2024	23,357,342.89
Profit / (loss) for the year	102,629.82
Balance as at March 31, 2025	23,459,972.71

Material accounting policies and notes to financial statements 1 to 21

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Intergest Mexico



Rafael Gerardo Monroy Ortega
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Place: Mexico
Date: 30-04-2025

For and on behalf
Concord Enviro S.A. DE C.V.

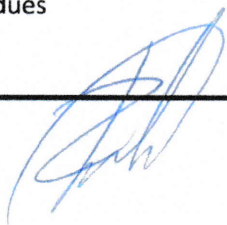


Ashish Singal
Manager

Place: Mexico
Date: 30-04-2025

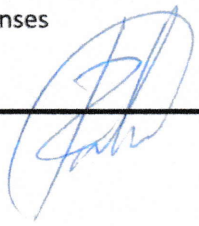
CONCORD ENVIRO MEXICO S.A. DE C.V.
SCHEDULES FORMING PART OF THE BALANCE SHEET

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2025</u> PESO	<u>31.03.2024</u> PESO
<u>Current Assets</u>			
<u>Financial assets</u>			
Inventories	4	4,543,950	-
Trade receivables	5	7,430,924	9,860,000
Balances with banks in current accounts	6	631,861	20,129,001
Cash on hand		7,770	280,170
		12,614,506	30,269,171
<u>Other financial assets</u>			
Security deposits	7	6,500	6,500
<u>Other current assets</u>	8		
Prepaid expenses		231,375	20,330
Advances for supply of goods and services		71,070,630	1,506,994
Advance to employees		191,702	239,117
Balance with government authorities		8,175,395	6,411,928
Unbilled revenue		27,435,450	-
		107,104,553	8,178,369
<u>SHARE CAPITAL</u>			
Authorised Capital		50,000	50,000
		50,000	50,000
Issued, Subscribed & Paid Up Capital	9	50,000	50,000
		50,000	50,000
<u>Retained earnings</u>	10		
Opening Balance		23,357,343	(1,515,465)
Add:- profit / (loss) for the year		102,630	24,872,808
		23,459,973	23,357,343
<u>Current liabilities</u>			
Trade payables	11	29,426,773	11,643,863
Loan from related party	12	75,362,866	-
Statutory dues	13	579,577	5,652,061
		105,369,216	17,295,924




CONCORD ENVIRO MEXICO S.A. DE C.V.
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2025</u>	<u>31.03.2024</u>
		PESO	PESO
<u>Revenue from operations</u>			
Sale of Services	14	106,786,432.00	154,822,500.03
		106,786,432.00	154,822,500.03
<u>Other income</u>	15		
Interest Income on Fixed deposits with banks		107,683.26	684,865.82
Other income		1,926.07	-
		109,609.33	684,865.82
<u>Cost of raw material consumed</u>	16		
Inventories at the beginning of the year		-	-
Purchases		74,453,240.71	112,448,258.78
Less: Inventories at the end of the year		(4,543,950.46)	-
		69,909,290.25	112,448,258.78
<u>Employee benefits expense</u>	17		
Salaries & wages		11,583,680.13	6,840,538.43
		11,583,680.13	6,840,538.43
<u>Finance costs</u>	18		
Interest expense on loan from related party		1,727,616.80	-
Factoring charges		2,348,620.11	-
		4,076,236.91	-
<u>Depreciation expense</u>	19		
Depreciation of property, plant and equipment		2,027,607.00	93,531.31
		2,027,607.00	93,531.31
<u>Operating & Other Expenses</u>	20		
Advertisement & sales promotion		130,092.43	306,738.08
Bank charges and commission		157,933.92	641,158.91
Consumption of stores and spares		147,202.93	108,533.88
Foreign currency exchange loss (Net)		1,066,702.95	54,431.85
Freight, clearing and forwarding		5,348,607.69	-
Insurance		499,652.92	117,735.53
Miscellaneous expenses		2,422,572.69	651,250.43
Rates and taxes		-	2,267.04
Printing & stationery		57,683.33	72,385.88
Legal & professional charges		3,415,027.96	5,374,673.93
Audit fees		115,000.00	115,000.00
Rent		3,220,518.11	1,206,841.33
Repair & maintenance		128,315.59	30,468.27
Telephone and communication charges		10,154.97	2,866.16
Travelling expenses		1,737,341.73	707,534.00
		18,456,807.22	9,391,885.29




CONCORD ENVIRO S.A.DE.C.V.**SCHEDULES FORMING THE PART OF BALANCE SHEET AS ON 31.03.2025****Schedule of property, plant & equipment**

Particulars	Plant & Machinery	Vehicles	Office Equipments	Computer	Total
Gross Cost of fixed assets					
As at April 01, 2023	-	-	-	-	-
Additions / adjustment	1,118,430	1,081,393	33,056	109,880	2,342,759
Deletions	-	-	-	-	-
As at March 31, 2024	1,118,430	1,081,393	33,056	109,880	2,342,759
As at April 01, 2024	1,118,430	1,081,393	33,056	109,880	2,342,759
Additions / adjustment	8,244,470	624,138	14,000	49,401	8,932,009
Deletions	-	-	-	-	-
As at March 31, 2025	9,362,900	1,705,531	47,056	159,281	11,274,768
Gross Depreciation					
As at April 01, 2023	-	-	-	-	-
Charge for the year	-	70,966	2,908	19,658	93,531
Deletions / adjustments	-	-	-	-	-
As at March 31, 2024	-	70,966	2,908	19,658	93,531
As at April 01, 2024	-	70,966	2,908	19,658	93,531
Charge for the year	1,113,733	814,477	17,794	81,603	2,027,607
Deletions / adjustments	-	-	-	-	-
As at March 31, 2025	1,113,733	885,443	20,702	101,261	2,121,138
WDV as on March 31, 2025	8,249,167	820,088	26,354	58,020	9,153,630
WDV as on March 31, 2024	1,118,430	1,010,427	30,148	90,222	2,249,228

CONCORD ENVIRO S.A.DE.C.V.**SCHEDULES FORMING THE PART OF BALANCE SHEET AS ON 31.03.2025****21 Related party disclosures****21.1 Names of related Parties**

1	Parent entity	Concord Enviro Systems Limited
2	Holding company	Concord Enviro FZE
3	Fellow Subsidiaries (where there are transactions)	Rochem Separation Systems (I) Pvt Ltd

21.2 Related party transactions taken place during the year

Nature of transaction	Name of related party	Year ended 31.03.25	Year ended 31.03.24
Purchase of goods	Concord Enviro FZE		29,194,197.33
Interest expense	Concord Enviro FZE	1,727,617.00	-
Reimbursement of expenses	Rochem Separation Systems (I) Pvt Ltd		262,357.28
	Concord Enviro Systems Limited	92,048.70	-
	Concord Enviro FZE	58,319.00	-
Loan received	Concord Enviro FZE	73,635,249.00	-

21.3 Related party outstanding balances

Nature of transaction	Name of related party	31.03.25	31.03.24
Borrowing of loan	Concord Enviro FZE	75,362,866.00	-
Trade receivables	Concord Enviro Systems Limited	93,605.47	-
	Concord Enviro FZE	58,319.00	-
Trade payables	Rochem Separation Systems (I) Pvt Ltd	-	262,357.28