

InterGest Mexico

Av. Juárez 2925, Torre JV, Piso 22
Col. La Paz, C.P.
72160 Puebla, Pue.
Mexico

phone: +52 222 644 2801

info.mexico@intergest.com
www.intergest.com

InterGest Mexico • Av. Juárez 2925, Torre JV, Piso 22 • Col. La Paz • 72160 Puebla

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 2024, cash-flow statement and income statement for the year 2023-24.

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 2024 and its performance and cash flows indicated are in accordance with the accounting principles.



Rafael Gerardo Monroy Ortega

Date: 27 April 2024.

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 & reverse 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 31.03.24

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
		PESO	PESO
<u>ASSETS</u>			
<u>Non Current Assets</u>			
Property, plant and equipment	1	2,249,228	-
<u>Current Assets</u>			
<u>Financial assets</u>			
Trade receivables	2	9,860,000	-
Cash and cash equivalents	3	20,409,171	74,461,306
Other financial assets	4	6,500	-
Other current assets	5	8,178,369	14,546,421
Total Current assets		38,454,039	89,007,728
Total Assets		40,703,267	89,007,728
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share Capital	6	50,000	50,000
Reserves & Surplus	7	23,357,342	(1,515,466)
Total Equity		23,407,342	(1,465,466)
<u>Current liabilities</u>			
<u>Financial liabilities</u>			
Trade payables	8	11,643,864	14,606,611
Contract liabilities	9	-	75,829,200
Other current liabilities	10	5,652,061	37,382
Total Current liabilities		17,295,925	90,473,194
Total Equity and Liabilities		40,703,267	89,007,728

CONCORD ENVIRO MEXICO S.A. DE C. V.
PROFIT & LOSS ACCOUNT AS ON 31.03.2024

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
		PESO	PESO
<u>Income</u>			
Revenue from operations	11	154,822,500	-
Other income	12	684,866	18,996,202
Total Income		155,507,366	18,996,202
<u>Expenses</u>			
Direct Cost		112,448,259	-
Employee benefits expense	13	6,949,072	435,132
Depreciation	1	93,531	1,821
Operating and other expenses	14	9,283,351	2,361,138
Total Expenses		128,774,214	2,798,091
Profit/(loss) before tax		26,733,152	16,198,111
Less:- current tax		1,860,344	-
Profit/(loss) for the period		24,872,808	16,198,111
Profit (Loss) for the period from continuing operations		24,872,808	16,198,111



CONCORD ENVIRO MEXICO S.A. DE C. V.**Cash flow statement as on 31.03.2024**

<u>PARTICULARS</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	PESO	PESO
A. Cash flows from operating activities		
Net profit / (losses) for the year	24,872,808	16,198,111
Depreciation	93,531	1,821
Operating cash flow before working capital changes	24,966,339	16,199,932
Decrease/(increase) in trade receivables	(9,860,000)	-
Decrease/(increase) in other assets	6,361,553	(13,435,223)
Increase /(decrease) in trade payables	(2,962,748)	14,606,611
Increase/(decrease) in other payables	(70,214,521)	75,850,973
Net cash generated from operating activities	(51,709,377)	93,222,293
B. Cash flows from Investing activities		
Purchase of fixed assets	(2,342,759)	51,336
Net cash generated from/(used in) investing activities	(2,342,759)	51,336
C. Cash flows from financing activities		
Repayment of loan	-	(18,814,202)
	-	(18,814,202)
Net increase in cash and cash equivalents	(54,052,136)	74,459,427
cash and cash equivalents at the beginning of the year	74,461,306	1,879
cash and cash equivalents at the end of the year	20,409,171	74,461,306



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

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2024</u> PESO	<u>31.03.2023</u> PESO
<u>Current Assets</u>			
<u>Financial assets</u>			
Trade receivables	2	9,860,000	-
Balances with banks in current accounts	3	20,129,001	74,461,306
Cash on hand	3	280,170	-
		30,269,171	74,461,306
<u>Other financial assets</u>			
Security deposits	4	6,500	-
<u>Other current assets</u>	5		
Prepaid expenses		20,330	-
Advances for supply of goods and services		1,506,994	12,298,164
Advance to employees		239,117	142,000
Balance with government authorities		6,411,928	2,106,257
		8,178,369	14,546,421
<u>SHARE CAPITAL</u>			
Authorised Capital		50,000	50,000
		50,000	50,000
Issued, Subscribed & Paid Up Capital	6	50,000	50,000
		50,000	50,000
<u>Retained earnings</u>	7		
Opening Balance		(1,515,466)	(17,713,577)
Add:- profit for the year		24,872,808	16,198,111
		23,357,342	(1,515,466)
<u>Current liabilities</u>			
Trade payables	8	11,643,864	14,606,611
Advances received from customers	9	-	75,829,200
Statutory dues	10	5,652,061	37,382
		17,295,925	90,473,194

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

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
		PESO	PESO
<u>Revenue from operations</u>			
Sale of Services	11	154,822,500.03	-
		154,822,500.03	
<u>Other income</u>	12		
Interest Income on Fixed deposits with banks		684,865.82	-
Sundry balances write off		-	18,996,202.00
		684,865.82	18,996,202.00
<u>Employee benefits expense</u>	13		
Salaries & wages		6,840,538.43	428,772.05
Staff welfare expenses		108,533.88	6,360.35
		6,949,072.31	435,132.40
<u>Operating & Other Expenses</u>	14		
Advertisement & sales promotion		306,738.08	43,653.69
Bank charges and commission		641,158.91	1,998.85
Foreign currency exchange loss (Net)		54,431.85	96,950.31
Insurance		117,735.53	-
Miscellaneous expenses		651,250.43	29,131.32
Rates and taxes		2,267.04	-
Printing & stationery		72,385.88	1,221.98
Legal & professional charges		5,489,673.93	674,367.08
Rent		1,206,841.33	16,048.19
Repair & maintenance		30,468.27	-
Sundry balances written off - Exp		-	1,245,863.00
Telephone and communication charges		2,866.16	782.63
Travelling & conveyance		50,194.14	-
Travel expenses		657,339.86	251,120.55
		9,283,351.41	2,361,137.60

CONCORD ENVIRO S.A.DE.C.V.**SCHEDULES FORMING THE PART OF BALANCE SHEET AS ON 31.03.2024****Schedule - 1 - FIXED ASSETS**

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
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
WDV as on March 31, 2024	1,118,430	1,010,427	30,148	90,222	2,249,228
WDV as on March 31, 2023	-	-	-	-	-