

PGIC INVESTMENT LIMITED

Reports and Financial Statements  
For the year ended 31 March 2025

PGIC INVESTMENT LIMITED

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

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## PGIC INVESTMENT LIMITED

### REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of PGIC Investment Limited (the "Company") for the year ended 31 March 2025.

#### PRINCIPAL ACTIVITY

The principal activity of the Company is property holding. There were no significant changes in the nature of the Company's principal activity during the year.

#### RESULTS

The Company's profit for the year ended 31 March 2025 and its financial position at that date are set out in the financial statements on pages 6 to 7.

#### DIRECTORS

The directors of the Company during the year were:

Deepak Kumar SETH

Pulkit SETH

Lalit Pandit JADE

Sumit LATH

(appointed on 3 February 2025)

(resigned on 29 November 2024)

In accordance with articles 22 of the Company's Articles of Association, all remaining directors continue in office for the ensuing year.

#### DIRECTORS' INTERESTS

At no time during the year was the Company, any of its holding companies or its fellow subsidiaries a party to any arrangement to enable the Company's directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

#### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which the Company, any of its holding companies or its fellow subsidiaries was a party during the year.

PGIC INVESTMENT LIMITED

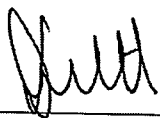
PERMITTED INDEMNITY PROVISIONS

During the year ended 31 March 2025, a permitted indemnity provision as defined in the Hong Kong Companies Ordinance was in force for an indemnity against a liability incurred by the directors of the Company, to a third party.

AUDITOR

During the year, Messrs. Ernst & Young, who acted as auditor of the Company, resigned and Messrs. Deloitte Touche Tohmatsu was appointed as auditor of the Company. A resolution will be submitted at the forthcoming annual general meeting to re-appoint them as auditor of the Company.

On behalf of the board



Deepak Kumar SETH  
DIRECTOR

Hong Kong  
09 May 2025

**INDEPENDENT AUDITOR'S REPORT****TO THE SOLE MEMBER OF PGIC INVESTMENT LIMITED**  
(incorporated in Hong Kong with limited liability)**Opinion**

We have audited the financial statements of PGIC Investment Limited (the "Company") set out on pages 6 to 21, which comprise the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with the HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Matter**

The financial statements of the Company for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 15 May 2024.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

## INDEPENDENT AUDITOR'S REPORT

TO THE SOLE MEMBER OF PGIC INVESTMENT LIMITED - continued  
(incorporated in Hong Kong with limited liability)

### **Other Information** - continued

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

### **Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

## INDEPENDENT AUDITOR'S REPORT

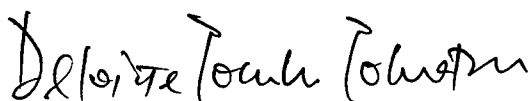
TO THE SOLE MEMBER OF PGIC INVESTMENT LIMITED - continued  
(incorporated in Hong Kong with limited liability)

### **Auditor's Responsibilities for the Audit of the Financial Statements** - continued

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is Leung Chui Shan (practising certificate number: P05731).



**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
9 May 2025

PGIC INVESTMENT LIMITED

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

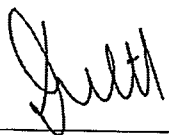
|                                                       | <u>NOTES</u> | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|-------------------------------------------------------|--------------|---------------------|---------------------|
| Other income                                          | 3            | 312,000             | 298,000             |
| Administrative expenses                               |              | (254,205)           | (254,808)           |
| Other operating expenses                              |              | (820)               | (97)                |
| Profit before tax                                     | 4            | 56,975              | 43,095              |
| Income tax expense                                    | 5            | (19,435)            | -                   |
| Profit and total comprehensive income<br>for the year |              | <u>37,540</u>       | <u>43,095</u>       |



PGIC INVESTMENT LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025

|                                         | <u>NOTES</u> | <u>2025</u><br><u>US\$</u> | <u>2024</u><br><u>US\$</u> |
|-----------------------------------------|--------------|----------------------------|----------------------------|
| <b>NON-CURRENT ASSETS</b>               |              |                            |                            |
| Property, plant and equipment           | 6            | 1,562,929                  | 1,634,042                  |
| Right-of-use assets                     | 6            | 2,984,943                  | 3,120,757                  |
|                                         |              | <u>4,547,872</u>           | <u>4,754,799</u>           |
| <b>CURRENT ASSETS</b>                   |              |                            |                            |
| Deposits and prepayments                | 7            | 16,467                     | 16,467                     |
| Cash and cash equivalents               | 8            | 22,915                     | 10,634                     |
|                                         |              | <u>39,382</u>              | <u>27,101</u>              |
| <b>CURRENT LIABILITIES</b>              |              |                            |                            |
| Accruals                                |              | 1,974                      | 4,095                      |
| Amount due to immediate holding company | 10(b)        | 5,392,833                  | 5,642,333                  |
| Tax payable                             |              | 19,435                     | -                          |
|                                         |              | <u>5,414,242</u>           | <u>5,646,428</u>           |
| <b>NET CURRENT LIABILITIES</b>          |              | <u>(5,374,860)</u>         | <u>(5,619,327)</u>         |
| <b>NET LIABILITIES</b>                  |              | <u>(826,988)</u>           | <u>(864,528)</u>           |
| <b>EQUITY</b>                           |              |                            |                            |
| Share capital                           | 9            | 1                          | 1                          |
| Accumulated losses                      |              | <u>(826,989)</u>           | <u>(864,529)</u>           |
| <b>DEFICIENCY IN EQUITY</b>             |              | <u>(826,988)</u>           | <u>(864,528)</u>           |

  
\_\_\_\_\_  
Deepak Kumar SETH  
DIRECTOR

  
\_\_\_\_\_  
Lalit Pandit JADE  
DIRECTOR

PGIC INVESTMENT LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2025

|                                                       | <u>Share<br/>capital</u><br>US\$ | <u>Accumulated<br/>losses</u><br>US\$ | <u>Total</u><br>US\$ |
|-------------------------------------------------------|----------------------------------|---------------------------------------|----------------------|
| At 1 April 2023                                       | 1                                | (907,624)                             | (907,623)            |
| Profit and total comprehensive income<br>for the year | -                                | 43,095                                | 43,095               |
| At 31 March 2024                                      | 1                                | (864,529)                             | (864,528)            |
| Profit and total comprehensive income<br>for the year | -                                | 37,540                                | 37,540               |
| At 31 March 2025                                      | 1                                | (826,989)                             | (826,988)            |

PGIC INVESTMENT LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|--------------------------------------------------------------------------------|---------------------|---------------------|
| OPERATING ACTIVITIES                                                           |                     |                     |
| Profit before tax                                                              | 56,975              | 43,095              |
| Adjustments for:                                                               |                     |                     |
| Depreciation of right-of-use assets                                            | 135,814             | 135,814             |
| Depreciation of property, plant and equipment                                  | 71,113              | 71,113              |
| Operating cash flows before movements in working capital                       | 263,902             | 250,022             |
| (Decrease) increase in accruals                                                | (2,121)             | 4,062               |
| NET CASH FROM OPERATING ACTIVITIES                                             | <u>261,781</u>      | <u>254,084</u>      |
| CASH USED IN FINANCING ACTIVITY                                                |                     |                     |
| Repayment to immediate holding company                                         | (249,500)           | (255,661)           |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS                           | 12,281              | (1,577)             |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR                             | <u>10,634</u>       | <u>12,211</u>       |
| CASH AND CASH EQUIVALENTS AT END OF YEAR represented by bank balances and cash | <u>22,915</u>       | <u>10,634</u>       |

## PGIC INVESTMENT LIMITED

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

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#### 1. CORPORATE INFORMATION

PGIC Investment Limited is a limited liability company incorporated in Hong Kong. Its registered office is located at Room 1801, 18/F, Kimberland Centre, No. 55 Wing Hong Street, Cheung Sha Wan, Kowloon.

The Company is a wholly-owned subsidiary of Pearl Global (HK) Limited, a company incorporated in Hong Kong. In the opinion of the directors, the ultimate holding company is Pearl Global Industries Limited, a company incorporated in India, whose shares are listed on the Bombay Stock Exchange and the National Stock Exchange in India.

The principal activity of the Company is property holding.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. These financial statements have been prepared under the historical cost convention and are presented in United States dollars ("US\$"), which is also the Company's functional currency.

These financial statements have been prepared under the going concern basis notwithstanding that the Company had net current liabilities and net liabilities as at 31 March 2025 because the immediate holding company of the Company has agreed to provide adequate funds to enable the Company to meet its liabilities and when they fall due. The immediate holding company has also agreed not to demand the Company to repay the amount due to it of US\$5,392,833 (2024: US\$5,642,333) until the Company is in a financial position to repay the amount due, without impairing its liquidity position.

##### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current year, the Company has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA for the first time, which are mandatorily effective for the Company's annual period beginning on 1 April 2024 for the preparation of the financial statements:

|                                  |                                                                                                                     |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Amendments to HKFRS 16           | Lease Liability in a Sale and Leaseback                                                                             |
| Amendments to HKAS 1             | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) |
| Amendments to HKAS 1             | Non-current Liabilities with Covenants                                                                              |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements                                                                                       |

2. ACCOUNTING POLICIES - continued

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES - continued

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Company's financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

2.3 HKFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

|                                          |                                                                                                    |
|------------------------------------------|----------------------------------------------------------------------------------------------------|
| HKFRS 18                                 | Presentation and Disclosure in Financial Statements <sup>4</sup>                                   |
| Amendments to HKFRS Accounting Standards | Annual Improvements to HKFRS Accounting Standards - Volume 11 <sup>3</sup>                         |
| Amendments to HKFRS 9 and HKFRS 7        | Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>             |
| Amendments to HKFRS 9 and HKFRS 7        | Contracts Referencing Nature-dependent Electricity <sup>3</sup>                                    |
| Amendments to HKFRS 10 and HKAS 28       | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup> |
| Amendments to HKAS 21                    | Lack of Exchangeability <sup>2</sup>                                                               |

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all the amendments to HKFRS Accounting Standards will have no material impact on the financial statements in the foreseeable future.

**HKFRS 18 "Presentation and Disclosure in Financial Statements"**

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some paragraphs in HKAS 1 have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures". Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements.

2. ACCOUNTING POLICIES - continued

2.3 HKFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE - continued

**HKFRS 18 "Presentation and Disclosure in Financial Statements" - continued**

The Company is still in the process to assess whether to elect to apply the reduced disclosures requirements in the future financial statements.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Land and buildings, classified as right-of-use assets and owned assets, are measured at fair value less subsequent accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

*Right-of-use assets*

|                |                                                              |
|----------------|--------------------------------------------------------------|
| Leasehold land | over the lease term or 30 June 2047,<br>whichever is earlier |
|----------------|--------------------------------------------------------------|

*Owned assets*

|                        |                                                              |
|------------------------|--------------------------------------------------------------|
| Building               | over the lease term or 30 June 2047,<br>whichever is earlier |
| Leasehold improvements | 33 $\frac{1}{3}$ %                                           |
| Furniture and fixtures | 33 $\frac{1}{3}$ %                                           |
| Computer equipment     | 33 $\frac{1}{3}$ %                                           |

The gain or loss on disposal of items of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in the statement of profit or loss.

The assets' residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2. ACCOUNTING POLICIES - continued

2.4 MATERIAL ACCOUNTING POLICY INFORMATION - continued

Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is an indication that a nonfinancial asset may be impaired. If such an indication exists, the Company makes an estimate of the asset's recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit). In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g. a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of the impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. The reversal of the impairment loss is credited to the statement of profit or loss in the year in which it arises.

Leases

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. All leases with a term of more than 12 months are recognised as assets representing the right of use of the underlying asset and liabilities representing the obligation to make lease payments, unless the underlying asset is of low value. Both the assets and the liabilities are initially measured on a present value basis. Right-of-use assets are recognised under property, plant and equipment and are measured at cost or valuation less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful lives of the assets and the lease terms. Lease liabilities are initially measured at the present value of lease payments to be made under the lease terms and subsequently adjusted by the effect of the interest on and the settlement of the lease liabilities, and the re-measurement arising from any reassessment of the lease liabilities or lease modifications.

2. ACCOUNTING POLICIES - continued

2.4 MATERIAL ACCOUNTING POLICY INFORMATION - continued

Financial assets

All the financial assets are initially recognised at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss. Purchases and sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Company commits to purchase or sell the assets.

(a) Classification and measurement

Debt instruments are measured at amortised cost using the effective interest rate method, subject to impairment if the assets are held for the collection of contractual cash flows where those contractual cash flows represent solely payments of principal and interest.

(b) Impairment

The Company applies the expected credit loss model on all the financial assets that are subject to impairment. Impairment allowances are recognised under the general approach where expected credit losses are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, the Company is required to provide for credit losses that result from possible default events within the next 12 months. For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure irrespective of the timing of the default.

(c) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired; or where the Company has transferred its contractual rights to receive the cash flows of the financial assets and has transferred substantially all the risks and rewards of ownership; or where control is not retained.

Financial liabilities

Financial liabilities include accruals and amount due to immediate holding company. They are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, they are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when they are extinguished, i.e., when the obligation is discharged or cancelled, or expires.



## PGIC INVESTMENT LIMITED

### 2. ACCOUNTING POLICIES - continued

#### 2.4 MATERIAL ACCOUNTING POLICY INFORMATION - continued

##### Revenue recognition

##### *Other income*

Revenue from the provision of management services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Company.

##### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Company operates.

### 3. OTHER INCOME

|                                            | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|--------------------------------------------|---------------------|---------------------|
| Management fee income from group companies | <u>312,000</u>      | <u>298,000</u>      |

### 4. PROFIT BEFORE TAX

The Company's profit before tax is arrived at after charging (crediting):

|                                               | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|-----------------------------------------------|---------------------|---------------------|
| Auditor's remuneration                        | 2,500               | 2,200               |
| Depreciation of right-of-use assets           | 135,814             | 135,814             |
| Depreciation of property, plant and equipment | 71,113              | 71,113              |
| Directors' remuneration                       | -                   | -                   |
| Foreign exchange differences, net             | <u>(31)</u>         | <u>(179)</u>        |

## PGIC INVESTMENT LIMITED

### 5. INCOME TAX

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for the year ended 31 March 2025 (2024: No provision for Hong Kong Profits Tax has been made as the Company has available tax losses brought forward from prior years to offset the assessable profits generated during the year).

A reconciliation of the tax expenses applicable to profit before tax at the Hong Kong statutory rate to the tax amount at the Company's effective tax rate are as follows:

|                                                                   | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|-------------------------------------------------------------------|---------------------|---------------------|
| Profit before tax                                                 | <u>56,975</u>       | <u>43,095</u>       |
| Tax at the Hong Kong statutory tax rate<br>of 16.5% (2024: 16.5%) | 9,401               | 7,111               |
| Income not subject to tax                                         | -                   | (30)                |
| Expenses not deductible for tax                                   | 22,414              | 22,409              |
| Temporary difference not recognised                               | (7,317)             | (7,386)             |
| Tax losses utilised from previous periods                         | (5,105)             | (22,104)            |
| Others                                                            | 42                  | -                   |
| Tax amount at effective rate                                      | <u>19,435</u>       | <u>-</u>            |

As at 31 March 2024, the Company has unutilised tax losses arising in Hong Kong of US\$32,984 (2025: nil), subject to the agreement by the Hong Kong Inland Revenue Department, that were available indefinitely for offsetting against future taxable profits of the Company arising in Hong Kong. No deferred tax assets was recognised as amount involved was insignificant.

**PGIC INVESTMENT LIMITED**

**6. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS**

|                                                                        | Right-of-use<br>assets           | Owned assets            |                                          |                                             |                                      |                      |
|------------------------------------------------------------------------|----------------------------------|-------------------------|------------------------------------------|---------------------------------------------|--------------------------------------|----------------------|
|                                                                        | Leasehold<br><u>Land</u><br>US\$ | <u>Building</u><br>US\$ | Leasehold<br><u>improvements</u><br>US\$ | Furniture<br>and<br><u>fixtures</u><br>US\$ | Computer<br><u>equipment</u><br>US\$ | <u>Total</u><br>US\$ |
| <b>31 March 2025</b>                                                   |                                  |                         |                                          |                                             |                                      |                      |
| At 1 April 2024:                                                       |                                  |                         |                                          |                                             |                                      |                      |
| Cost                                                                   | 3,824,872                        | 2,003,918               | 79,883                                   | 63,836                                      | 514                                  | 5,973,023            |
| Accumulated depreciation<br>and impairment                             | (704,115)                        | (369,876)               | (79,883)                                 | (63,836)                                    | (514)                                | (1,218,224)          |
| Net carrying amount                                                    | <u>3,120,757</u>                 | <u>1,634,042</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,754,799</u>     |
| At 1 April 2024, net of<br>accumulated depreciation<br>and impairment  | 3,120,757                        | 1,634,042               | -                                        | -                                           | -                                    | 4,754,799            |
| Depreciation provided<br>during the year                               | (135,814)                        | (71,113)                | -                                        | -                                           | -                                    | (206,927)            |
| At 31 March 2025, net of<br>accumulated depreciation<br>and impairment | <u>2,984,943</u>                 | <u>1,562,929</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,547,872</u>     |
| At 31 March 2025:                                                      |                                  |                         |                                          |                                             |                                      |                      |
| Cost                                                                   | 3,824,872                        | 2,003,918               | 79,883                                   | 63,836                                      | 514                                  | 5,973,023            |
| Accumulated depreciation<br>and impairment                             | (839,929)                        | (440,989)               | (79,883)                                 | (63,836)                                    | (514)                                | (1,425,151)          |
| Net carrying amount                                                    | <u>2,984,943</u>                 | <u>1,562,929</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,547,872</u>     |

**PGIC INVESTMENT LIMITED**

**6. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS - continued**

|                                                                        | Right-of-use<br>assets           | Owned assets            |                                          |                                             |                                      |                      |
|------------------------------------------------------------------------|----------------------------------|-------------------------|------------------------------------------|---------------------------------------------|--------------------------------------|----------------------|
|                                                                        | Leasehold<br><u>Land</u><br>US\$ | <u>Building</u><br>US\$ | Leasehold<br><u>improvements</u><br>US\$ | Furniture<br>and<br><u>fixtures</u><br>US\$ | Computer<br><u>equipment</u><br>US\$ | <u>Total</u><br>US\$ |
| <b>31 March 2024</b>                                                   |                                  |                         |                                          |                                             |                                      |                      |
| At 1 April 2023:                                                       |                                  |                         |                                          |                                             |                                      |                      |
| Cost                                                                   | 3,824,872                        | 2,003,918               | 79,883                                   | 63,836                                      | 514                                  | 5,973,023            |
| Accumulated depreciation<br>and impairment                             | (568,301)                        | (298,763)               | (79,883)                                 | (63,836)                                    | (514)                                | (1,011,297)          |
| Net carrying amount                                                    | <u>3,256,571</u>                 | <u>1,705,155</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,961,726</u>     |
| At 1 April 2023, net of<br>accumulated depreciation<br>and impairment  | 3,256,571                        | 1,705,155               | -                                        | -                                           | -                                    | 4,961,726            |
| Depreciation provided<br>during the year                               | (135,814)                        | (71,113)                | -                                        | -                                           | -                                    | (206,927)            |
| At 31 March 2024, net of<br>accumulated depreciation<br>and impairment | <u>3,120,757</u>                 | <u>1,634,042</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,754,799</u>     |
| At 31 March 2024:                                                      |                                  |                         |                                          |                                             |                                      |                      |
| Cost                                                                   | 3,824,872                        | 2,003,918               | 79,883                                   | 63,836                                      | 514                                  | 5,973,023            |
| Accumulated depreciation<br>and impairment                             | (704,115)                        | (369,876)               | (79,883)                                 | (63,836)                                    | (514)                                | (1,218,224)          |
| Net carrying amount                                                    | <u>3,120,757</u>                 | <u>1,634,042</u>        | <u>-</u>                                 | <u>-</u>                                    | <u>-</u>                             | <u>4,754,799</u>     |

The Company's right of use of leasehold land represents prepaid lease payments. The leasehold land is held for own use. The leasehold land is held on a medium-term lease expiring on 30 June 2047.

At 31 March 2025, certain of the Company's right-of-use assets and property, plant and equipment with a net carrying amount of US\$2,984,943 (2024: US\$3,120,757) and US\$1,562,929 (2024: US\$1,634,042), respectively, were pledged to secure banking facilities granted to the Company.

**7. DEPOSITS AND PREPAYMENTS**

|             | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|-------------|---------------------|---------------------|
| Prepayments | 576                 | 576                 |
| Deposits    | <u>15,891</u>       | <u>15,891</u>       |
|             | <u>16,467</u>       | <u>16,467</u>       |

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8. CASH AND CASH EQUIVALENTS

|                        | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|------------------------|---------------------|---------------------|
| Cash and bank balances | <u>22,915</u>       | <u>10,634</u>       |

Cash at banks earn interest at floating rates based on daily bank deposit rates.

9. SHARE CAPITAL

|                                              | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|----------------------------------------------|---------------------|---------------------|
| <b>Issued and fully paid:</b>                |                     |                     |
| 1 (2024: 1) ordinary share with no par value | <u>1</u>            | <u>1</u>            |

10. RECONCILIATION OF LIABILITY ARISING FROM FINANCING ACTIVITY

|                                   | Amount due to<br>immediate<br>holding<br>company<br>US\$ |
|-----------------------------------|----------------------------------------------------------|
| At 1 April 2023                   | 5,897,994                                                |
| Changes from financing cash flows | <u>(255,661)</u>                                         |
| At 31 March 2024                  | 5,642,333                                                |
| Changes from financing cash flows | <u>(249,500)</u>                                         |
| At 31 March 2025                  | <u>5,392,833</u>                                         |

11. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions, arrangements and balances detailed elsewhere in these financial statements, the Company had the following material transactions with related parties during the year:

|                                                      | <u>2025</u><br>US\$ | <u>2024</u><br>US\$ |
|------------------------------------------------------|---------------------|---------------------|
| Management fee income from immediate holding company | 252,000             | 252,000             |
| Management fee income from a fellow subsidiary       | <u>60,000</u>       | <u>46,000</u>       |

Management fee income was related to the provision of management services to immediate holding company and a fellow subsidiary and were based on terms mutually agreed between the parties.

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### 11. RELATED PARTY TRANSACTIONS - continued

#### (b) Outstanding balances with related parties

The amount due to immediate holding company is unsecured, interest-free and repayable on demand.

#### (c) Compensation of key management personnel of the Company

The key management personnel of the Company did not receive any compensation in respect of their services rendered to the Company during the year (2024: nil).

### 12. FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets of the Company comprise deposits and cash and cash equivalents, which are categorised as financial assets at amortised cost. The carrying amounts of these financial assets are the amounts shown either on the statement of financial position or in notes to the financial statements.

The financial liabilities of the Company comprise accruals and amount due to immediate holding company, which are categorised as financial liabilities at amortised cost. The carrying amounts of these financial liabilities are the amounts shown either on the statement of financial position or in notes to the financial statements.

### 13. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Management has assessed that the fair values of cash and cash equivalents, deposits, accruals and amount due to immediate holding company reasonably approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

The Company did not have any financial assets and liabilities measured at fair value as at 31 March 2025 and 31 March 2024.

### 14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's exposure to liquidity risk arises in the normal course of its business. The risk is managed by the Company's financial management policies and practices described below:

#### Liquidity risk

The Company has a minimal risk of shortage of funds as its immediate holding company has agreed to provide adequate funds for the Company to meet its liabilities as and when they fall due.

The maturity profile of the accruals and amount due to immediate holding company, based on the contractual undiscounted payment, is repayable on demand or less than three months as at 31 March 2025 and 31 March 2024.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Capital management

The primary objectives of the Company's capital management are to (i) safeguard the Company's ability to continue as a going concern; (ii) provide returns for shareholder and benefits for other stakeholders; (iii) support the Company's stability and growth; and (iv) provide capital for the purpose of strengthening the Company's risk management capability.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may return capital to shareholder or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

Capital of the Company comprises all components of shareholder's equity.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 9 May 2025.

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