

Date : 21 May 2021

**To whom it may concern**

Dear Sir,

**GALAXY HOLDINGS (MAURITIUS) LTD – audit of accounts to 31 March 2021**

I confirm that the company had not, for the year ended 31 March 2021, reinvested into India funds derived from sources within India.

Yours faithfully



**G WONG TO WING  
CHARTERED ACCOUNTANT**

**GALAXY HOLDINGS (MAURITIUS) LTD**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# **GALAXY HOLDINGS (MAURITIUS) LTD**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

### **INDEX**

<b>CONTENT</b>	<b>PAGE</b>
Directors' report	1
Secretary's certificate	2
Auditor's report	3 to 5
Statement of financial position	6
Statement of profit or loss and other comprehensive income	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 to 16

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**DIRECTORS' REPORT**  
**TO THE SHAREHOLDERS**

1. The directors have pleasure in submitting their report to the shareholders together with the audited financial statements for the year ended 31 March 2021.

2. State of affairs and review of activities

The main object of the Company is to act as a holding company for downstream investment in operating companies engaged in manufacturing / extending logistic and marketing support to surfactant and chemicals used in home and personal care industries.

The statement of profit or loss and other comprehensive income for the year is set out on page 7.

3. The directors of the Company at 31 March 2021, all of whom served on the Board throughout the year and up to the date of this report are listed below:

Mrs. Reena DOOLUB  
Mr. Ganesh KAMATH  
Mr. Peter In Kwong SIAW CHOCK CHIONG

4. STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

5. Auditor

Mr. Gaetan Wong To Wing, FCA, has indicated his willingness to continue in office and a resolution concerning his re-appointment will be proposed at the annual meeting.

By Order of the Board



DIRECTOR

Date: 21 May 2021

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**SECRETARY'S CERTIFICATE**  
**TO THE SHAREHOLDERS**

We certify that we have filed with the Registrar all such returns for the year ended 31 March 2021 as are required of the Company under the Companies Act 2001.



For Mauritius International Trust Company Limited  
Secretary

Date: 21 May 2021

## **GALAXY HOLDINGS (MAURITIUS) LTD**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GALAXY HOLDINGS (MAURITIUS) LTD**

This report is made solely to the member of GALAXY HOLDINGS (MAURITIUS) LTD, as a body, in accordance with Section 205 of the Companies Act 2001. My audit work has been undertaken so that I might state to the Company's member those matters I am required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for my audit work, for this report, or for the opinions I have formed.

#### **Report on the Financial Statements**

##### ***Opinion***

I have audited the financial statements of GALAXY HOLDINGS (MAURITIUS) LTD on pages 6 to 16, which comprise the statement of financial position at 31 March 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements on pages 6 to 16 give a true and fair view of the financial position of the Company at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the Companies Act 2001.

##### ***Basis for Opinion***

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

##### ***Other information***

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

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

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

## **GALAXY HOLDINGS (MAURITIUS) LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF GALAXY HOLDINGS (MAURITIUS) LTD**

#### **Report on the Audit of the Financial Statements (cont'd)**

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

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the 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***

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

**GALAXY HOLDINGS (MAURITIUS) LTD****INDEPENDENT AUDITOR'S REPORT (CONT'D)  
GALAXY HOLDINGS (MAURITIUS) LTD****Report on the Audit of the Financial Statements (cont'd)*****Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)***

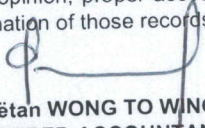
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**Report on Other Legal and Regulatory Requirements***Companies Act 2001*

I have no relationship with, or any interest in, the Company other than in my capacity as auditor and dealings in the ordinary course of business.

I have obtained all information and explanations I have required.

In my opinion, proper accounting records have been kept by the Company as far as it appears from my examination of those records.



**Mr Gaëtan WONG TO WING, FCA  
CHARTERED ACCOUNTANT  
Licensed by FRC**

Date: 21 May 2021

Port Louis,  
Republic of Mauritius.



**GALAXY HOLDINGS (MAURITIUS) LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Notes	31 March 2021 USD	31 March 2020 USD
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	4	32,803,007	32,803,007
Loan receivables	5	2,401,722	2,296,566
Loan interest receivables	6	<u>1,901,695</u>	<u>1,626,806</u>
<b>Total non-current assets</b>		<u>37,106,424</u>	<u>36,726,379</u>
<b>Current assets</b>			
Other receivables		60,580	47,482
Tax refund		683	-
Loan interest receivables	6	44,845	51,514
Cash at bank		<u>25,007</u>	<u>8,432</u>
<b>Total current assets</b>		<u>131,115</u>	<u>107,428</u>
<b>Total assets</b>		<u>37,237,539</u>	<u>36,833,807</u>
 <b>Financed by:</b>			
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital	7	34,550,000	34,550,000
Retained earnings		<u>2,681,677</u>	<u>2,280,843</u>
<b>Total equity</b>		<u>37,231,677</u>	<u>36,830,843</u>
<b>Current liabilities</b>			
Other payables	8	5,862	1,191
Income tax liability	9	<u>-</u>	<u>1,773</u>
<b>Total current liabilities</b>		<u>5,862</u>	<u>2,964</u>
<b>Total equity and liabilities</b>		<u>37,237,539</u>	<u>36,833,807</u>

These financial statements have been approved by the Board of Directors on: 21 May 2021




)  
)  
) DIRECTORS  
)  
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The notes on pages 10 to 16 form part of these financial statements.  
Auditor's report on pages 3 to 5.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Year ended 31 March 2021 USD	Year ended 31 March 2020 USD
Income		426,366	430,660
Expenses		<u>(19,969)</u>	<u>(88,684)</u>
<b>Profit before tax</b>		406,397	341,976
Tax	9	<u>(5,563)</u>	<u>(12,492)</u>
<b>Profit after tax</b>		400,834	329,484
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>400,834</u>	<u>329,484</u>
<b>Profit per share</b>	10	<u>0.80</u>	<u>0.66</u>

The notes on pages 10 to 16 form part of these financial statements.  
Auditor's report on pages 3 to 5.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Ordinary share capital USD</b>	<b>Preference share capital USD</b>	<b>Retained earnings USD</b>	<b>Total USD</b>
Balance at 01 April 2019	500,000	39,400,000	1,951,359	41,851,359
Redeemed preference shares	-	(5,350,000)	-	(5,350,000)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>329,484</u>	<u>329,484</u>
Balance at 31 March 2020	<u>500,000</u>	<u>34,050,000</u>	<u>2,280,843</u>	<u>36,830,843</u>
Balance at 01 April 2020	500,000	34,050,000	2,280,843	36,830,843
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>400,834</u>	<u>400,834</u>
Balance at 31 March 2021	<u>500,000</u>	<u>34,050,000</u>	<u>2,681,677</u>	<u>37,231,677</u>

The notes on pages 10 to 16 form part of these financial statements.  
Auditor's report on pages 3 to 5.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	31 March 2021 USD	31 March 2020 USD
<b>Cash flows from operating activities</b>		
Profit for the year before tax	406,397	341,976
Adjustment:		
Unrealised exchange(gain)/ loss	(220,978)	73,251
Tax paid	<u>(8,019)</u>	<u>(19,789)</u>
<b>Operating profit before working capital changes</b>	177,400	395,438
Increase in other receivables	(10,108)	(21,081)
Increase/(decrease) in other payables	<u>4,671</u>	<u>(4,695)</u>
<b>Net cash generated from operating activities</b>	<u>171,963</u>	<u>369,662</u>
<b>Cash flows from financing activities</b>		
Maturity of redeemable preference shares	-	(5,350,000)
Proceeds from loan and interest	50,000	5,400,002
Loan interest receivables	<u>(205,388)</u>	<u>(430,660)</u>
<b>Net cash used in financing activities</b>	<u>(155,388)</u>	<u>(380,658)</u>
<b>Net movement in cash and cash equivalents</b>	16,575	(10,996)
Cash and cash equivalents at beginning of the year	<u>8,432</u>	<u>19,428</u>
<b>Cash and cash equivalents at end of the year</b>	<u><u>25,007</u></u>	<u><u>8,432</u></u>
<b>Cash and cash equivalents consist of:</b>		
Cash at bank	<u><u>25,007</u></u>	<u><u>8,432</u></u>

The notes on pages 10 to 16 form part of these financial statements.  
Auditor's report on pages 3 to 5.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

## **1. INCORPORATION**

GALAXY HOLDINGS (MAURITIUS) LTD is a Category 1 Global Business Licence Company incorporated on 02 October 2008 in Mauritius and is governed by the Financial Services Act 2007.

## **2. NATURE OF ACTIVITIES**

The main object of the Company is to act as a holding company for downstream investment in operating companies engaged in manufacturing / extending logistic and marketing support to surfactant and chemicals used in home and personal care industries.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Basis of preparation**

The separate financial statements of the Company comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Companies Act 2001 for companies holding a Category 1 Global Business Licence. The financial statements have been prepared under the historical cost convention and on a going concern basis.

### **Standards, Amendments to published Standards and Interpretations effective in the reporting period**

Definition of a Business (Amendments to IFRS 3) clarifies the definition of a business to help determine whether a transaction should be accounted for as a business combination or an asset acquisition and permits, in certain circumstances, a simplified assessment that an acquired set of activities and assets is not a business. The amendments have no impact on the Company's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8) clarifies the definition of material and aligns the definitions used across IFRSs and other IASB publications. The amendments have no impact on the Company's financial statements.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) provides relief from certain hedge accounting requirements in order to avoid unnecessary discontinuation of existing hedge relationships during the period before the replacement of an existing interest rate benchmark with an alternative interest rate. The amendments have no impact on the company's financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards relate to minor amendments to various standards to reflect the revised Conceptual Framework for Financial Reporting. The amendments have no impact on the Company's financial statements.

Covid-19-Related Rent Concessions (Amendment to IFRS 16) provides an option to apply a simplified accounting treatment to some lease modifications in the accounts of the lessee. The amendment has no impact on the Company's financial statements.

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) extends the temporary exemption to accounting periods beginning before January 1, 2023. The amendments have no impact on the Company's financial statements.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(a) Basis of preparation (cont'd)**

***Standards, Amendments to published Standards and Interpretations issued but not yet effective***

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2021 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 17 Insurance Contracts

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Annual Improvements 2018-2020

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

Reference to the Conceptual Framework (Amendments to IFRS 3)

Amendments to IFRS 17

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

Where relevant, the Company is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

There were no major estimates and assumptions made during the year that have a significant risk of causing material adjustment to the carrying amounts of the Company's assets and liabilities within the next financial year.

**(b) Income and expenditure**

Income and expenditure are accounted for on an accrual basis.

**(c) Foreign currency translation**

**(i) *Functional and presentation currency***

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in United States Dollars (USD), which is the Company's functional and presentation currency.

**(ii) *Transactions and balances***

Transactions in foreign currencies are translated at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into USD at the foreign exchange rates ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of transaction. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(d) Investments**

(i) *Investment in subsidiary*

A subsidiary is an entity in which the Company has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Company controls another entity.

The Company, in accordance with IAS 27, has elected to report investments in subsidiaries at cost less impairment. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

(ii) *Short term investments*

Short term investments have been valued at cost and are converted into USD at the rate of exchange ruling at the date of purchase. The carrying value is maintained unless the directors are of the opinion that there has been an impairment in the value of these investments.

**(e) Trade and other receivables**

Other receivables are stated at cost less any impairment losses.

**(f) Trade and other payables**

Other payables are stated at cost.

**(g) Borrowings**

Borrowings are recognised at cost since they do not have any fixed terms of repayment.

**(h) Financial instruments**

Financial instruments carried on the statement of financial position include borrowings and other payables. The particular recognition methods are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which the Company is a party are provided in note 12.

**(i) Related parties**

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice-versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

**(j) Provisions**

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

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>4. INVESTMENTS</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
<b><u>Unquoted and at cost</u></b>		
Balance at start	32,803,007	32,803,007
Addition during the year	<u>-</u>	<u>-</u>
Balance at end	<u><u>32,803,007</u></u>	<u><u>32,803,007</u></u>

*Details of the companies are as follows:*

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Percentage holding</b>	
			<b>31 March 2021</b>	<b>31 March 2020</b>
Galaxy Chemical (Egypt) S.A.E	Egypt	Equity	100%	100%
Rainbow Holdings GMBH	Germany	Equity	100%	100%
Tri-K Industries Inc	USA	Equity	24%	24%

The Company has taken advantage of the exemption provided by the Mauritian Companies Act 2001 allowing a wholly owned or virtually wholly owned parent company holding a Category 1 Global Business Licence not to present consolidated financial statements. The financial statements are therefore separate financial statements which contain information about Galaxy Holdings (Mauritius) Ltd as an individual company and not contain consolidated financial information as the parent of a group.

<b>5. LOAN RECEIVABLES</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
Rainbow Holdings GMBH	1,618,464	1,513,308
Shown as current loan receivables	<u>-</u>	<u>-</u>
Shown as non-current loan receivables	<u>1,618,464</u>	<u>1,513,308</u>
The loan carries simple interest at the rate of 10% per annum.		
Galaxy Chemical (Egypt) S.A.E	<u>783,258</u>	<u>783,258</u>
	<u><u>2,401,722</u></u>	<u><u>2,296,566</u></u>

The loan carries simple interest rate of 5.8% per annum.

<b>6. LOAN INTEREST RECEIVABLES</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
Interest receivables	1,946,540	1,678,320
Shown as current loan interest receivables	<u>(44,845)</u>	<u>(51,514)</u>
Shown as non-current loan interest receivables	<u><u>1,901,695</u></u>	<u><u>1,626,806</u></u>



**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>7. STATED CAPITAL</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
<b>Stated</b>		
<u>Issued and fully paid</u>		
500,000 ordinary shares of USD 1 each	<u>500,000</u>	<u>500,000</u>
34,050,000 non cumulative redeemable preference shares of USD 1 each	<u>34,050,000</u>	<u>34,050,000</u>
Closing balance	<u>34,550,000</u>	<u>34,550,000</u>

<b>8. OTHER PAYABLES</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
Accruals	<u>5,862</u>	<u>1,191</u>

**9. TAX**

The Company holds a Category 1 Global Business Licence for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from January 1, 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business Licence on or before October 16, 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to June 30, 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to June 30, 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

Post June 30, 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

<i>Reconciliation between tax on accounting profit with tax expense:</i>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>USD</b>	<b>USD</b>
Profit before taxation	406,397	341,976
Tax calculated at a rate of 15% (2019: 15%)	60,960	51,296
Exempt income	(33,147)	-
Unauthorised deduction	-	11,166
Foreign tax credit	<u>(22,250)</u>	<u>(49,970)</u>
Tax charge	5,563	12,492
Tax paid under APS	<u>(6,246)</u>	<u>(10,719)</u>
<b>(Tax refund)/Tax liability</b>	<u>(683)</u>	<u>1,773</u>

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

## 10. PROFIT PER SHARE

The profit per share is based on the profit after tax for the year of USD 400,834 (2020: USD 329,484) and on 500,000 ordinary shares in issue for both years.

## 11. RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following related party transactions.

	Nature of relationship	31 March 2021 USD	31 March 2020 USD
<i>During the year:</i>			
Other receivables	Subsidiary	10,108	21,081
Loan interest accrued	Subsidiary	<u>205,388</u>	<u>430,660</u>
<i>Balance:</i>			
Other receivables	Subsidiary	60,580	47,482
Loan to related party (Including accrued interest)	Subsidiary	4,348,262	3,974,886
Investment in subsidiary	Subsidiary	<u>32,803,007</u>	<u>32,803,007</u>

## 12. FINANCIAL INSTRUMENTS

### Fair values

The Company's investment is valued as described in note 3.

The Company's other assets and liabilities include cash at bank, borrowings and other payables. The carrying amount of these assets and liabilities approximate their fair values.

### Financial risk factors

The Company's activities expose it to a variety of financial risks that are associated with the financial instruments in which it invests and markets in which it operates. The following is a summary of the main risks:

#### Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

#### Capital risk management

The Company's objectives when managing capital are:

- to safeguard the equity's ability to continue as a going concern, so that it can continue to provide returns
- to provide an adequate return to shareholders by pricing services commensurately with the level of risk.

#### Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

## **12. FINANCIAL INSTRUMENTS (CONT'D)**

### **Financial risk factors (cont'd)**

#### *Currency risk*

The Company has assets denominated in EURO. Consequently, the Company is exposed to the risk that the exchange rate of USD relative to EURO stated above may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in these currencies.

## **13. CONSOLIDATED FINANCIAL STATEMENTS**

The Company has taken advantage of the exemption provided by the Mauritian Companies Act 2001 allowing a wholly owned or virtually wholly owned parent company holding a Category 1 Global Business Licence not to present consolidated financial statements. The financial statements are therefore separate financial statements which contain information about Galaxy Holdings (Mauritius) Ltd as an individual company and not contain consolidated financial information as the parent of a group.

## **14. HOLDING COMPANY**

The Directors consider Galaxy Surfactants Limited, a company incorporated in the India as the Company's immediate and ultimate holding company.

## **15. IMPACT OF COVID-19**

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. The outbreak was identified first in China towards of end December 2019 and on March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, including the formulation of a viable vaccine and governments' response to combat the spread of the virus in the intervening period. This event is a significant event considering the spread of virus all over the world and the situation of lock-down in Mauritius during the month of March 2020 and period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world. The Company will continue to monitor the impact COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

The Company has access to resources to meet its obligations for the next 12 months from the date of the approval of financial statements.

Hence, it is considered that there is no material adverse impact of COVID-19 on the financial statements.

## **16. EVENTS AFTER THE REPORTING DATE**

Except for the continuous monitoring of the impact of the COVID-19 disclosed in the above note, there has been no other material event after the reporting date that required disclosure and amendment to the financial statements for the year ended 31 March 2021.

**GALAXY HOLDINGS (MAURITIUS) LTD**  
**DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	31 March 2021 USD	31 March 2020 USD
<b>Income</b>		
Interest income	205,388	430,660
Unrealised exchange gain	<u>220,978</u>	<u>-</u>
	<u>426,366</u>	<u>430,660</u>
<b>Expenses</b>		
Administrative expenses	6,825	5,819
Licence and registration fees	2,250	2,250
Audit and accountancy fees	9,129	2,987
Unrealised exchange loss	-	74,440
Bank charges	<u>1,765</u>	<u>3,188</u>
	<u>19,969</u>	<u>88,684</u>
<b>Profit for the year before tax</b>	406,397	341,976
Tax	<u>(5,563)</u>	<u>(12,492)</u>
<b>Profit for the year after tax</b>	400,834	329,484
<b>Balance brought forward</b>	<u>2,280,843</u>	<u>1,951,359</u>
<b>Balance carried forward</b>	<u><u>2,681,677</u></u>	<u><u>2,280,843</u></u>