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HESTER BIOSCIENCES KENYA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026

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Partners:

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**HESTER BIOSCIENCES KENYA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026**

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CORPORATE INFORMATION

DIRECTORS	: Rajiv Gandhi (India) : Priya Gandhi (India) - (Appointed on 20/05/2025)
REGISTERED OFFICE	: LR. No. 1870/11/311, Integra House, Off General Mathenge Drive P.O. Box 14843, 00800 Nairobi - Kenya.
BANKERS	: Diamond Trust Bank Nairobi - Kenya.
COMPANY SECRETARY	: Rajnikant Mohanlal Shah Certified Public Secretaries P.O. Box 14843, 00800 Nairobi - Kenya.
INDEPENDENT AUDITORS	: RSCO LLP Certified Public Accountants P.O. Box 14843 - 00800 Nairobi - Kenya.

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 March 2026, which disclose the state of affairs of the company.

PRINCIPAL ACTIVITY

The principal activity of the company is that of manufacturing, distribution and supply of animal health products, diagnostic platforms, animal vaccine and to provide high quality poultry vaccine, diagnostics and medicines to farmers in Africa and other regions in the world. The company however has had no operations during the year resulting in no sales of these vaccines.

BUSINESS REVIEW

Key performance indicators	2026 Kshs	2025 Kshs
Net assets	<u><u>106,504,426</u></u>	<u><u>100,638,258</u></u>

PRINCIPAL RISKS AND UNCERTAINTIES

The company's principal activities are highly regulated due to the nature of products the company intends to deal with. The company has not yet commenced operations as it is yet to receive approval for the distribution of its products.

Credit risk

The company's principal financial assets are cash and bank balances and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on cash and bank balances is limited because the counter-parties are banks with high credit-ratings assigned by international credit-rating agencies. The company has no significant concentration of credit risk, with exposure spread over a number of counterparties.

Cash flows and foreign currency risk

The majority of the company's purchases are in Kenya Shillings but where purchases are made in foreign currency, the company is exposed to currency risk. This risk is managed through appropriate operational offset of open receivable and payable foreign currency positions.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company monitors its need for cash on a regular basis and takes appropriate action through intercompany financing arrangements.



DIRECTORS' REPORT (CONTINUED)

RESULTS

The results of the year are summarised below:-

	2026 Kshs	2025 Kshs
Profit before taxation	5,866,169	5,811,961
Tax	0	0
Profit transferred to revenue reserves	5,866,169	5,811,961

DIVIDENDS

The directors do not recommend the declaration of a dividend for the year (2025: Nil).

DIRECTORS

The directors who held office during the year and to the date of this report are set out on page 1.

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each director at the time this report was approved:

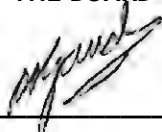
- (a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- (b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

RSCO LLP continues in office in accordance with Section 719 (2) of the Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees. the terms of the auditor's.

BY ORDER OF THE BOARD

Director



Date: 12 May 2026



STATEMENT OF DIRECTORS' RESPONSIBILITIES

Responsibilities

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the company as at the end of the financial year and of its profit and loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that show and explain the transactions of the company, disclose, with reasonable accuracy, the financial position of the company and enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015.


The directors accept responsibility for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

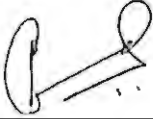
Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on**12 May 2026** and signed on its behalf by:



Director



Director





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REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF HESTER BIOSCIENCES KENYA LIMITED

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Opinion

We have audited the accompanying financial statements of Hester Biosciences Kenya Limited, set out on pages 8 to 19, which comprise the statement of financial position as at 31 March 2026, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the company as at 31 March 2026 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. 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.

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.

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Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Kenyan Companies Act, 2015, 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, and have no realistic alternative but to do so.

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. 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, we exercise professional judgement 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.
- 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 management.
- Conclude on the appropriateness of management's 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 the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

Auditor's responsibilities for the audit of the financial statements (continued)

- 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.

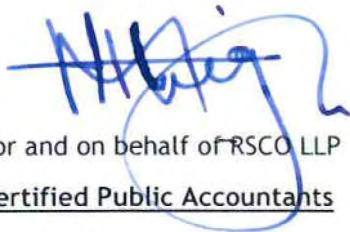
We communicate with directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other matters prescribed by the Kenyan Companies Act, 2015

As required by the Kenyan companies Act 2015 we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account; and
- iv) in our opinion, the information given in the report of the directors on page 2 and 3 is consistent with financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Paul G. Ihiga - Practising Certificate No. 1932.



For and on behalf of RSCO LLP
Certified Public Accountants
Nairobi, Kenya

Date:- 13 May 2026

STATEMENT OF COMPREHENSIVE INCOME

		2026 Kshs	2025 Kshs
Other operating income	3	0	0
Administrative expenses	5	(374,508)	(248,610)
Gross loss		<u>(374,508)</u>	<u>(248,610)</u>
Finance income/(cost)	6	297,822	(1,057,024)
Fair value adjustment of investment in subsidiary	9	5,942,855	7,117,594
Profit before tax		<u>5,866,169</u>	<u>5,811,961</u>
Tax		0	0
Profit for the year		<u><u>5,866,169</u></u>	<u><u>5,811,961</u></u>

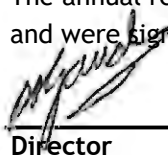
The statement of comprehensive income is to be read in conjunction with the notes forming part of the annual reports financial statements set out on pages 12 to 19.



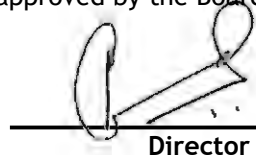
STATEMENT OF FINANCIAL POSITION

		2026	2025
		Kshs	Kshs
ASSETS			
NON-CURRENT ASSETS			
Investment in subsidiary	9	43,817,970	37,875,115
		43,817,970	37,875,115
CURRENT ASSETS			
Trade and other receivables	10	63,077,898	62,780,966
Cash and cash equivalents	11	212,318	314,177
		63,290,216	63,095,143
Total assets		107,108,186	100,970,258
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	15,060,300	15,060,300
Capital grant	14	56,169,607	56,169,607
Capital contribution	15	50,675,949	50,675,949
Accumulated losses		(15,401,430)	(21,267,599)
		106,504,426	100,638,258
CURRENT LIABILITIES			
Trade and other payables	11	603,760	332,000
		603,760	332,000
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		107,108,186	100,970,258

The annual reports financial statements on pages 7 to 19 were approved by the Board of Directors on 12 May 2026 and were signed on its behalf by:-



 Director



 Director

The statement of financial position is to be read in conjunction with the notes forming part of the financial statements set out on pages 12 to 19.



STATEMENT OF CHANGES IN EQUITY

	Share capital Kshs	Capital grant Kshs	Capital contribution Kshs	Accumulated losses Kshs	Total Kshs
Balance at 1 April,2024	15,060,300	56,169,607	50,675,949	(27,079,559)	94,826,297
Profit for the year	0	0	0	5,811,961	5,811,961
Balance at 31 March, 2025	<u>15,060,300</u>	<u>56,169,607</u>	<u>50,675,949</u>	<u>(21,267,599)</u>	<u>100,638,258</u>
Balance at 1 April,2025	15,060,300	56,169,607	50,675,949	(21,267,599)	100,638,258
Profit for the year	0	0	0	5,866,169	5,866,169
Balance at 31 March, 2026	<u>15,060,300</u>	<u>56,169,607</u>	<u>50,675,949</u>	<u>(15,401,430)</u>	<u>106,504,427</u>

The statement of changes in equity is to be read in conjunction with the notes forming part of the financial statements set out on pages 12 to 19.



STATEMENT OF CASH FLOWS

	Notes	2026 Kshs	2025 Kshs
Operating activities			
Profit before tax		5,866,169	5,811,961
Adjustments for:			
Net foreign exchange loss		(297,822)	1,057,024
Impairment of investment in subsidiary		(5,942,855)	(7,117,594)
Operating loss before changes in working capital:		(374,508)	(248,610)
Changes in working capital:			
Trade and other receivables		(296,933)	1,591,967
Trade and other payables		271,760	(6,219)
Net cash (used in)/generated from operating activities		(399,681)	1,337,138
(Decrease)/increase in cash and cash equivalent		(399,681)	1,337,138
At 1st April,	11	314,177	34,063
Effect of foreign exchange rate changes		297,822	(1,057,024)
(Decrease)/increase in cash and cash equivalents		(399,681)	1,337,138
At 31st March,	11	212,318	314,177

The statement of cash flows is to be read in conjunction with the notes forming part of the annual financial statements set out on page 12 to 19.



NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Hester Biosciences Kenya Limited (the Company) is incorporated in Kenya under the Companies Act, 2015 as a private company limited by shares, and is domiciled in Kenya. The address of its registered office and principal place of business is as shown on page 1. The principal activity of the company is that of manufacturing, distribution and supply of animal health products, diagnostic platforms and animal vaccine.

These financial statements comply with the requirements of the Kenyan Companies Act, 2015. The statement of profit or loss represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these annual reports financial statements are set out below. These policies have been consistently applied to all the years presented.

a) Basis for preparation

The annual reports financial statements are prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board.

The annual reports financial statements have been prepared under the historical cost convention.

The preparation of annual reports financial statements in conformity with the IFRS for SMEs 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. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the annual reports financial statements.

These annual reports financial statements comply with the requirements of the Kenya Companies Act, 2015. The statement of comprehensive income represent the profit and loss account referred to in the Act. The statement of financial position represents financial position represents the balance sheet referred to in the Act.

Going concern

The financial performance of the company is set out in the report of the directors and in the statement of comprehensive income. The financial position of the company is set out in the statement of financial position. Based on the financial performance and position of the company and its risk management policies, The company has not had started activities since incorporation and has not made any sale. The directors are of the opinion that the company will remain a going concern for the foreseeable future. This opinion is based on the assumption that continued financial support will be made available to the company by its Parent Company.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Key sources of estimation uncertainty and judgements[□]

In the application of the accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Useful lives of equipment:** Management reviews the useful lives and residual values of the items of equipment on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

c) Significant judgements made by management in applying the company's accounting policies

The directors have made the following judgement that is considered to have the significant effect on the amounts recognised in the financial statements.

- **Impairment of trade receivables:** The company reviews their portfolio of trade receivables on an annual basis. In determining whether receivables are impaired, the management makes judgement as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

d) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of business and is stated net of Value Added Tax (VAT), rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for the company's activity. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement.

e) Equipment

All equipment is initially recorded at cost and thereafter stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as an asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Equipment (continued)

Depreciation on all assets is calculated on a reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	Rates
Equipment - telephone	30%

The assets residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining profit before tax.

f) Share capital

Ordinary shares are classified as authorised and issued share capital. Issued ordinary shares are recognised as equity.

g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks.

h) Trade and other receivables

Trade payables are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

i) Trade and other payables

Trade and other payables are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

j) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Kenya shillings at rates ruling at the transaction dates. Assets and liabilities at the reporting date which are expressed in foreign currencies are translated into Kenya shillings(functional currency) at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they arise.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Taxation

Income tax expense represents the sum of the current tax payable only since no provision for deferred tax has been made in the financial statements.

Current taxation is provided on the basis of the results for the period as shown in the annual report financial statements adjusted in accordance with the tax legislation.

l) Capital grant

These represents grants received for the purpose of capital expenditure including investments.

Grants received for investments are classified as part of equity if there are no specific conditions on disposal. Where there are conditions in the event of disposal the same is classified as non-current liabilities.

m) Investment in subsidiary

Subsidiaries are all entities (including special purpose entities) over which the company has the power to govern the financial and operating policies. Control is achieved when the company has power over the investee; is exposed or has right to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The purchase method of accounting is used to account for the acquisition of a subsidiary by the company. The cost of an acquisition is measured at the fair value of consideration given (i.e. the fair values of assets given, equity instruments issued and liabilities incurred or assumed, plus costs that are directly attributed to the acquisition) at the date of exchange. Identifiable assets acquired, liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the company's share of the identifiable net assets acquired is recorded as goodwill. Goodwill generated on the acquisition of a subsidiary is subject to annual impairment review. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference (negative goodwill) is recognised directly in profit or loss as income. Subsidiaries are fully consolidated from the date at which the company starts controlling them and are de-consolidated from the date that control ceases.

	2026	2025
	Kshs	Kshs
3. OTHER OPERATING INCOME		
Other income	<u>0</u>	<u>0</u>
4. PROFIT BEFORE TAX		
The following items have been charged in arriving at(loss)/ profit before tax:-		
Audit fees	<u>331,760</u>	<u>332,000</u>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2026 Kshs	2025 Kshs
5. ADMINISTRATIVE EXPENSES		
Other administrative expenses		
Legal and professional fees	0	23,200
Secretarial fees	0	35,960
Accountancy Fees	0	14,000
Audit fees	331,760	332,000
Bank charges	2,748	11,570
Sundry balances written off	0	(168,120)
Travel and Accommodation	40,000	0
	<u>374,508</u>	<u>248,610</u>
6. FINANCE (INCOME)/COST		
Net unrealised foreign exchange (gain)/loss	(297,822)	1,057,024
	<u>(297,822)</u>	<u>1,057,024</u>
7. TAX		
Current tax	0	0
Tax charge	<u>0</u>	<u>0</u>
Tax on the results before tax differs from the theoretical amount using the basic tax rate as follows:-		
Profit before tax	5,866,169	5,811,961
Tax at the applicable rate of 30%	1,759,851	1,743,588
Tax effect of;		
Expenses not deductible for tax purposes	23,006	391,690
Income not subject to tax	(1,782,857)	(2,135,279)
Tax charge	<u>0</u>	<u>0</u>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. PROPERTY, PLANT AND EQUIPMENT

	Equipment Kshs	Total Kshs
Cost		
At 1 April 2024	17,500	17,500
At 31 March 2025	<u>17,500</u>	<u>17,500</u>
At 1 April 2025	17,500	17,500
At 31 March 2026	<u>17,500</u>	<u>17,500</u>
Depreciation		
At 1 April 2024	17,500	17,500
At 31 March 2025	<u>17,500</u>	<u>17,500</u>
At 1 April 2025	17,500	17,500
At 31 March 2026	<u>17,500</u>	<u>17,500</u>
Net Book Value		
At 31 March 2026	<u>0</u>	<u>0</u>
At 31 March 2025	<u>0</u>	<u>0</u>

9. INVESTMENT IN SUBSIDIARY

Hester Biosciences Kenya Limited owns 100% of Hester Biosciences Tanzania Limited:-

	% Holding	2026 Kshs	2025 Kshs
Hester Biosciences Tanzania Limited	100%	<u>43,817,970</u>	<u>37,875,115</u>
At 1 April, Fair value adjustment		37,875,115 5,942,855	30,757,521 7,117,594
At 31 March,		<u>43,817,970</u>	<u>37,875,115</u>

10. TRADE AND OTHER RECEIVABLES

Other receivables	191,779	191,780
Deposit for vaccine - (Note 16(i))	62,886,119	62,589,186
	<u>63,077,898</u>	<u>62,780,966</u>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2026	2025
	Kshs	Kshs
11. CASH AND CASH EQUIVALENTS		
The year end cash and cash equivalents comprise of the following:-		
Cash at bank	212,318	314,177
	<u><u>212,318</u></u>	<u><u>314,177</u></u>
12. TRADE AND OTHER PAYABLES		
Trade payables	271,760	0
Other payables and accruals	332,000	332,000
	<u><u>603,760</u></u>	<u><u>332,000</u></u>
13. SHARE CAPITAL		
Authorised		
151,000 Ordinary shares of Kshs 100/= each	<u><u>15,100,000</u></u>	<u><u>15,100,000</u></u>
Issued		
150,603 Ordinary shares of Kshs 100/= each	<u><u>15,060,300</u></u>	<u><u>15,060,300</u></u>
14. CAPITAL GRANT		
The capital grant were funds received specifically for purpose of purchasing shares in Hester Biosciences Tanzania Limited.		
At start and end of year	<u><u>56,169,607</u></u>	<u><u>56,169,607</u></u>
15. CAPITAL CONTRIBUTION		
At start and end of year	<u><u>50,675,949</u></u>	<u><u>50,675,949</u></u>

Capital contribution relates to expenses paid on behalf of the Kenyan entity which was not reimbursed to them and therefore classified as a capital contribution.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2026 Kshs	2025 Kshs
16. RELATED PARTY BALANCES		
(i) Deposit for vaccine - (Note 10)		
At start of the year \$ 484,000 (2025: \$ 484,000)	62,589,186	63,646,000
Forex adjustment	296,933	(1,056,814)
At end of the year	<u>62,886,119</u>	<u>62,589,186</u>

17. DEFERRED TAX

No provision for deferred tax has been made in these financial statements as there are no material temporary differences.

18. CURRENCY

These annual reports financial statements are presented in Kenya Shillings.



HESTER BIOSCIENCES KENYA LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026

INCOME TAX COMPUTATION

	Kshs	2026 Kshs
Profit as per annual reports financial statements		5,866,169
Add: Expenses for which there is no associated taxable income	374,508	
Unrealised foreign exchange loss	<u>(297,822)</u>	76,686
Less: Impairment of investment in subsidiary		(5,942,855)
Adjusted taxable		<u><u>0</u></u>

