Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Financial Statements and reports

For the year ended 31 March 2026

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Financial Statements and reports

For the year ended 31 March 2026

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Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Director Report

The Director has pleasure in presenting his report and the audited financial statements for the year ended 31 March 2026.

Principal Activities:

The principal activities of the Establishment are Power Generation, Transmission & Distribution Equipment Trading.

Business Operations Review and Future Business Developments:

During the year, the Establishment generated revenue of AED 52,142,494 (2025: AED 10,571,795) and earned a net profit of AED 17,801,895 (2025: AED 841,320). The Director considers this performance as satisfying in the context of a highly competitive business environment all around.

The Establishment has strategic plans for the development of its business. The Director is optimistic about the prospects and expects the performance of the Establishment to grow and improve and achieve profitability in line with the business plan.

Shareholder:

The authorized and issued share capital of the Establishment is AED 150,000/- divided into 1 shares of AED 150,000/- each fully paid. Shareholder, of the Establishment as of 31 March 2026 was as follows:

Name	Domicile	Shares of AED 150,000 /- each 2025
M/s. Powerica Limited	India	**1**

Risk Management and Internal Control Systems:

The Establishment is committed to the ongoing process of identifying risk factors, analyzing the risks, and deciding upon measures of risk handling and risk control, with a view to achieving sustainability of business operations, employment and surpluses. The Establishment's risk management framework identifies, assesses, manages and reports risks on a consistent and reliable basis. The Director considers primary risk areas to be credit risk, market risk (interest rate, foreign exchange) and liquidity risk. The other risk areas include physical and operational risks, human resource risks, technology risks and business continuity and disaster recovery risks.

Risk Management and Internal Control Systems: (continued)
The Management recognizes their responsibility to ensure existence of the system of internal control and for reviewing its continued effectiveness. In view of the above, the management has in place a management information system, that facilitates financial and other information being periodically reported on a transparent basis to the management, and that in turns helps in initiating action, to mitigate risks to the extent feasible.

Going Concern:
The attached financial statements have been prepared on the going concern basis. While preparing the accounts, the management has made an assessment of the Establishment's ability to continue as a going concern. The Management has not come across any evidence that causes the Management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Establishment's ability to continue as a going concern.

Corporate Tax:
On 9 December 2022, the United Arab Emirates ("UAE") Ministry of Finance issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("Corporate Tax Law"), thereby introducing a Corporate Tax ("CT") regime in the UAE. The Corporate Tax regime is applicable for financial periods commencing on or after 1 June 2023.

The Establishment follows a financial year commencing on 1 April and ending on 31 March. Accordingly, the relevant Corporate Tax Period for the Establishment is from 1 April 2025 to 31 March 2026. In accordance with the provisions of the Corporate Tax Law, the related Corporate Tax return is required to be filed on or before 31 December 2026.

Under the UAE Corporate Tax regime, taxable income up to AED 375,000 is subject to Corporate Tax at 0%, while taxable income exceeding AED 375,000 is subject to Corporate Tax at the rate of 9%.
Management has assessed the impact of the UAE Corporate Tax Law on the Establishment and recognized the applicable Corporate Tax liability in these financial statements, wherever required.

Events After the Balance sheet date:
Subsequent to the reporting date, the Middle East has experienced an escalation in geopolitical tensions, including military developments involving regional actors. These events have contributed to increased volatility in global financial markets, energy prices, and supply chains.

The United Arab Emirates continues to maintain a stable economic and regulatory environment, and management has assessed the potential implications of the evolving geopolitical situation on the Group's operations, financial position, and performance. As at the date of issuance of these financial statements, the Group's operations remain uninterrupted, and there has been no material impact on the Group's assets, liquidity, or ability to continue as a going concern.

Events After the Balance sheet date (Continued)
This is considered a non-adjusting event under IAS 10. As of the date of approval of these financial statements, no adjustments to the carrying amounts of assets or liabilities are required. However, the conflict may have material effects on future operations, supply chains, and market conditions, which will be monitored and assessed in subsequent reporting periods.

Auditors:
RNG Auditors LLC (RNG) were appointed as external auditors for the year ended 31 March 2026. RNG is eligible for re-appointment and has expressed their willingness to continue in office. The Director recommends the reappointment of RNG as auditor for the Establishment for the year ended 31 March 2027.

Statements of Director Responsibility:
Pursuant to the provisions of UAE Federal Decree-Law No. 32 of 2021 on Commercial Companies the Director is required to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Establishment and of the net profit or loss for the financial year.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the requirements of the International Financial Reporting Standards (IFRS), relevant statutory requirements and other governing laws. The Director confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that discloses with reasonable accuracy at any time, the financial position of the Establishment and enables them to ensure that the financial statements comply with the requirements of applicable statute. The Director also confirm that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably presents the Establishment's financial conditions and results of its operations.

For Powerica Power Systems (FZE)

UAE - SHARJAH
POWERICA POWER SYSTEMS (FZE)

Farhad Hormazdi
Manager

Place: Sharjah, UAE
Date: 25 May 2026

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF POWERICA POWER SYSTEMS (FZE)

Report on the Audit of the Financial Statements

We have audited the financial statements of Powerica Power Systems (FZE) ("the Establishment"), which comprise the statement of financial position as of 31 March 2026, 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 statement, comprising Significant accounting policies and other explanatory information.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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

Basis for Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance, whether the financial statements are free from material misstatement.

Our responsibilities under those Standards are further described in the Auditors' 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 of Accountants Code of Ethics for Professional Accountant (the "IESBA code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Other Information

Management is responsible for the other information. Other information comprises the Director's Report prepared in accordance with the applicable provisions of the SAIF Zone Rules and Regulations, which we obtained prior to the date of this auditor's report.

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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF POWERICA POWER SYSTEMS (FZE) (continued)

Responsibilities of Management and those charged with governance for preparation of the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the Establishment's Memorandum and Articles of Association and for such internal control as management determines 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, management is responsible for assessing the Establishment'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 management either intends to liquidate the Establishment or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We are 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 omission, 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 Establishment's internal control.
- Evaluate the appropriateness of accounting policies used, and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF POWERICA POWER SYSTEMS (FZE) (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 doubts on the Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to 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 event or conditions may cause the Establishment to cease to continue as a going concern.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the Establishment to express an opinion on the financial statements.

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

Report on other legal and regulatory requirements

The financial statements of the Company comply, in all material respects, with the applicable provisions of Sharjah Emiri Decree No. 2 of 1995, issued on 8 May 1995, and the relevant regulations of the Sharjah Airport International Free Zone Authority

Harikishan Rankawat

P.O.Box: 118753
DUBAI - U.A.E
R N G AUDITORS L.L.C

Harikishan Rankawat
R N G Auditors L.L.C
Registration No. 5527

Place: Sharjah, UAE
Date: 25 May 2026

Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Statement of Financial Position

For the year ended 31 March 2026

	Note	2026 AED	2025 AED
ASSETS			
Non-current assets:			
Property, plant and equipment	9	**761,072**	975,616
Capital WIP	10	**2,976,401**	-
Total Non-Current assets		**3,737,473**	975,616
Current assets:			
Inventories	11	**406,074**	233,582
Trade and other receivables	12	**25,081,050**	17,572,913
Cash and bank balances	13	**1,926,004**	973,097
Total Current assets		**27,413,128**	18,779,592
Total Assets		**31,150,601**	19,755,208
EQUITY AND LIABILITIES			
Equity:			
Share capital	14	**150,000**	150,000
Accumulated profits		**21,976,077**	4,174,182
Total Equity		**22,126,077**	4,324,182
Non-current liabilities:			
Staff terminal benefits payable	15	**6,758**	6,758
Secured loan	16	**158,203**	414,694
Total Non-current liabilities		**164,961**	421,452
Current liabilities:			
Secured loan	16	**256,491**	239,016
Trade and other payables	17	**5,610,976**	12,171,372
Amount due to related parties	18	**2,992,096**	2,599,186
Total Current liabilities		**8,859,563**	15,009,574
Total liabilities		**9,024,524**	15,431,026
Total Equity and Liabilities		**31,150,601**	19,755,208

The accompanying notes form an integral part of these financial statements. These financial statements were approved by the Director and signed on 25 May 2026.

For Powerica Power Systems (FZE)

Farhad Hormazdi
Manager

The independent auditors' report is set out on pages 4 to 6.

Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Note	2026 AED	2025 AED
Revenue	19	**52,142,494**	10,571,795
Cost of revenue	20	**(34,253,921)**	(7,920,025)
Gross Profit		**17,888,573**	2,651,770
Other income	21	**4,555,392**	256,897
General and administration expenses	22	**(2,531,350)**	(1,745,829)
Depreciation	9	**(214,545)**	(118,007)
Financial charges	23	**(172,104)**	(157,391)
Profit for the year before tax		**19,525,966**	887,440
Corporate tax	24	**(1,724,071)**	(46,120)
Profit for the year after tax		**17,801,895**	841,320
Other comprehensive income		-	-
Total comprehensive profit for the year		**17,801,895**	841,320

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Director and signed on 25 May 2026.

For Powerica Power Systems (FZE)

UAE - SHARJAH
POWERICA POWER SYSTEMS (FZE)

Farhad Hormazdi
Manager

The independent auditors' report is set out on pages 4 to 6.

Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Statement of Changes in Equity

For the year ended 31 March 2026

	Share capital AED	Accumulated profits AED	Total AED
At 01 April 2024	150,000	3,332,862	3,482,862
Profit for the year	-	841,320	841,320
At 31 March 2025	**150,000**	**4,174,182**	**4,324,182**
At 01 April 2025	150,000	4,174,182	4,324,182
Profit for the year	-	17,801,895	17,801,895
At 31 March 2026	**150,000**	**21,976,077**	**22,126,077**

The accompanying notes form an integral part of these financial statements.

The independent auditors' report is set out on pages 4 to 6.

Powerica Power Systems (FZE)

Sharjah, United Arab Emirates

Statement of Cash Flows

For the year ended 31 March 2026

	Note	2026 AED	2025 AED
Cash flows from operating activities:			
Profit for the year before tax		**19,525,966**	841,320
Adjustments:			
Depreciation	9	**214,544**	118,007
Loss on sale of vehicle		**-**	14,500
Fixed deposit interest		**(407,553)**	(198,871)
Financial costs	23	**172,104**	169,473
Provision for staff terminal benefits payable		**-**	1,364
Operating profit before changes in working capital		**19,505,061**	945,793
Changes in operating assets and liabilities:			
Net movement in inventories		**(172,492)**	(66,116)
Net movement in trade and other receivables		**(7,498,100)**	(12,822,115)
Net movement in trade and other payable		**(8,204,516)**	12,008,330
Net movement in amount due to related parties		**312,959**	1,012,670
Net cash flow generated from operating activities		**3,942,912**	1,078,562
Cash flows from investing activities			
Net movement in property, plant and equipment		**-**	(1,006,368)
Purchase of Capital WIP	10	**(2,976,401)**	-
Fixed deposit interest		**397,517**	172,231
Net cash (used in) investing activities		**(2,578,884)**	(834,136)
Cash flows from financing activities			
Secured loans		**-**	748,000
Loan repayment		**(239,017)**	(94,290)
Financial costs		**(172,104)**	(169,473)
Net cash (used in)/flow from financing activities		**(411,121)**	484,237
Net movement in cash and cash equivalents		**952,907**	728,662
Cash and cash equivalents at beginning of the year		**973,097**	244,435
Cash and cash equivalents at end of the year		**1,926,004**	973,097

The accompanying notes form an integral part of these financial statements.

The independent auditors' report is set out on pages 4 to 6.

1. Legal status and principal activities

Powerica Power Systems (FZE), ("the Establishment") was incorporated on 09 February 2022 under Commercial license number 22913 as Free Zone Est. with Limited Liability and operates in the United Arab Emirates under the license issued by the Sharjah Airport International Free Zone, Government of Sharjah, United Arab Emirates.

The principal activities of the Establishment are providing services of Power Generation, Transmission & Distribution Equipment Trading.

The registered office of the Establishment is located at Saif Suite, Z-55, Sharjah, United Arab Emirates.

The management and control of the Establishment is vested with Mr. Farhad Jahangir Hormazdi, Manager.

2. Application of new and revised International Financial Reporting Standards ("IFRS Accounting Standards")

a) New and revised IFRS Accounting Standards adopted in the financial statement

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 April 2025, have been adopted in these financial statements. The application of these revised IFRS Accounting Standards did not have any material impact on the amounts reported for the current and prior periods.

New and revised IFRS Accounting Standards	***Effective for annual periods beginning on or after***
Amendments to IAS 21 Lack of Exchangeability Sale or Contribution of Assets between an investor and its Associate or Join Venture	1 January 2025

Other than the above, there are no other significant IFRS Accounting Standards, amendments or interpretations that were effective for the first time for the financial year beginning on or after 1 April 2025.

2. Application of new and revised International Financial Reporting Standards ("IFRS Accounting Standards") (continued)

b) New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted

New and revised IFRS Accounting Standards	***Effective for annual periods beginning on or after***
IFRS 9 and IFRS 7: Amendment regarding the classification and measurement of financial instruments	1 January 2026, Earlier application permitted
IFRS 9 and IFRS 7: Contracts referencing nature-dependent electricity	1 January 2026, Earlier application permitted
Annual Improvements of IFRS Accounting Standards	1 January 2026, Earlier application permitted
IFRS 18: Presentation and Disclosures in Financial Statements	1 January 2027, Earlier application permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Establishment's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Establishment in the period of initial application.

3. Basis of preparation

Statement of Compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and as per the requirements of the applicable laws of the UAE.

Basis of measurement
The financial statements have been prepared under historical cost convention and going concern basis. The accounting policies have been consistently applied throughout the year and remain unchanged from the previous year unless specified separately.

Functional and presentation currency
These financial statements are presented in AED, which is the Establishment's functional currency.

4. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have a material effect on the amounts recognized in the financial statements are described as a separate note subsequently. The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation on property, plant and equipment
Management assigns useful lives and residual value of property, plant and equipment and tangibles assets based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in actual useful lives or residual values differing from initial estimates. Where management determines that the useful life or residual value of an asset requires amendment, the netbook value in excess of the residual value is depreciated over the revised remaining useful life.

Impairment of receivables
The Management regularly undertakes a review of the recovery status of amounts due from either third parties or related parties. Such a review is based on a variety of factors, including the overall quality, ageing, continuing credit evaluation of financial conditions and collateral requirements. Based on the review, assumptions are made regarding the extent of impairment allowance required, if any.

4. Use of estimates and judgements (continued)

Impairment of assets
Assessment of net recoverable amounts of property, plant and equipment and tangible assets are based on higher of fair value, less cost to sale and value in use. Value in use calculation is based on the assumptions regarding future cash flows expected to be received from the related assets.

Tax positions
The income tax positions taken are considered by the Establishment to be supportable and are intended to withstand challenge from tax authorities. However, it is acknowledged that these positions are uncertain and include interpretations of complex tax laws which could be disputed by tax authorities. Evolving insights, for example following final tax assessments for prior years, can result in additional tax burdens or benefits, and new tax risks may arise.

The Establishment judges these positions on their technical merits on a regular basis using all the information available (legislation, case law, regulations, established practice, authoritative doctrine as well as the current state of discussions with tax authorities, where appropriate). A liability is recorded for each item that is not probable of being sustained on examination by the tax authorities, based on all relevant information. The liability is calculated taking into account the most likely outcome or the expected value, depending on which is thought to give a better prediction of the resolution of each uncertain tax position in view of reflecting the likelihood of an adjustment being recognized upon examination.

These estimates are based on facts and circumstances existing at the end of the reporting period. The tax liability and income tax expense include expected penalties and late payment interests arising from tax disputes, if any.

Management has used its best estimate of the correct value of liability to recognize in each case, which includes a judgement on the length of the future time period to use in such assessments.

5. Material accounting policies

The Establishment has consistently applied the accounting policies as provided below to all periods presented in these financial statements, except as stated otherwise.

a. Financial instruments
Financial assets and financial liabilities are initially recognized in the financial statements when the Establishment becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

5. Material accounting policies (continued)

a. Financial instruments (continued)

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchase or sale of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Subsequent measurement

The Establishment's financial assets comprise of trade and other receivables, and cash & bank balances . The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayment, plus the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, adjusted for any impairment allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any impairment loss allowance. Interest income, foreign exchange gains or losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Establishment changes its business model for managing the financial assets. The Establishment makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Management.

Impairment of financial assets (including receivables)

IFRS 9: Financial Instruments requires to follows an Expected Credit Loss ("ECL") model for the impairment of financial assets. The ECL model requires the Establishment to account for expected credit losses and changes to those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

5. Material accounting policies (continued)

a. Financial instruments (continued)

Impairment of financial assets (including receivables) (continued)
Expected losses shall be measured and provided either at an amount equal to (a) 12 month expected losses; or (b) life time expected losses. If the credit risk of the financial instrument has not increased significantly since inception, then an amount equal to 12 month expected credit loss is provided. In other cases, life time credit losses shall be provided. For trade receivables without a significant financing component a simplified approach is available, whereby an assessment of increase in credit risk need not be performed at each reporting date. Instead, a Establishment can choose to provide for expected losses based on lifetime expected losses.

The Establishment makes use of simplified approach for accounting for amount due to related parties and trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfall in contractual cash flows, considering the potential for default at any point during the life of the financial instruments. In calculating, the Establishment uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix.

The Establishment assesses impairment of trade receivables on a collective basis as they possess shared risk characteristics, they have been grouped based on the number of days past due.

Write off
The Establishment writes off a financial asset when there is information indicating that the debtors is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Establishment's recovery procedures taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the asset of the Establishment after deducting all of its liabilities.

5. Material accounting policies (continued)

a. Financial instruments (continued)

Financial liabilities - Classification, subsequent measurement and gains or losses
Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is contingent consideration of an acquirer in a business combination or classified as held for trading, or it is a derivative or it is designated as at FVTPL on initial recognition.

Financial liabilities at amortized cost are initially measured at fair value and subsequently measured at amortized cost using an effective interest rate method. Interest expenses and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss to the extent that they are part of a designated hedging relationship.

Significant financial liabilities of the Establishment include amounts due to related parties, trade and other payables which are initially measured at fair value and subsequent at amortized cost using the effective interest method.

De-recognition financial assets
The Establishment derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire, or it transfers the rights to financial assets and substantially all the risks and rewards of ownership of the financial assets to another Establishment or in which the Establishment neither transfer nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets.

If the Establishment neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred assets, the Establishment recognizes its retained interest in the assets and an associated liability for the amounts it may have to pay. If the Establishment retains substantially all the risks and rewards of ownership of a transferred financial asset, the Establishment continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortized cost, the difference between the asset’s carrying amount and the sum of the consideration received, and receivable is recognized in profit or loss.

5. Material accounting policies (continued)

a. Financial instruments (continued)

De-recognition financial assets (continued)
In addition, on de-recognition of an interest in a debt instrument classified as fair value through other comprehensive income ("FVTOCI") the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on de- recognition of an investment in equity instruments which the Establishment has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

De-recognition financial liabilities
The Establishment de-recognizes financial liabilities when and only when its' contractual obligations are discharged or cancelled or have expired. The difference between the carrying amount of a financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

The Establishment also derecognizes financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms including any fees paid net of any fees received and discounted using the original effective interest rate is at least ten percent different from the discounted present value of the remaining cash flows of the original financial liability. The difference between the carrying amounts of the financial liability extinguishes and the new financial liability with modified terms is recognized in the profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when and only when the Establishment:

- currently has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis or to realize the asset and settle the liabilities simultaneously.

Income and expenses are not offset in profit or loss unless required or permitted by IFRS.

5. Material accounting policies (continued)

b. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the assets' carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Establishment and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the reporting period in which they are incurred.

The depreciation is calculated on a Straight-Line method over the estimated useful lives of the assets, as follows:

	Years
Motor Vehicle	5

The assets' residual values and useful lives are reviewed at the end of the reporting period, with the effect of any changes in estimates adjusted on a prospective basis. 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.

The gains or losses arising from the disposal or retirement of an item of property, plant and equipment are determined by comparing the disposal proceeds with the carrying amount of the asset and is recognized in the profit or loss.

c. Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized

5. Material accounting policies (continued)

c. Impairment of intangible assets

immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case, the reversal of the impairment loss is treated as a revaluation increase.

d. Provisions

Provisions are recognized when the Establishment has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to any provision are recognized in the profit or loss, net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are not recognized for future operating losses.

e. Provision for employees' end of service benefits

The provision for employees' end-of-service benefits is made in accordance with the UAE Labor laws and is based on the current remuneration and period of service at the end of the reporting period.

Provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the end of the reporting period. The provision related to annual leave is disclosed as a current liability, while the provision relating to employees' end of service benefits is disclosed as a non-current liability.

f. Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions are recognized in the profit or loss.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into the functional currency at the foreign exchange rate ruling at that date. Gains or losses resulting from such transactions are also recognized in the profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into the functional currency at the foreign exchange rate

5. Material accounting policies (continued)

f. Foreign currency transactions (continued)
prevailing at the date of the initial transaction.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are re-measured at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item.

g. Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes.

h. Inventories
Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average cost basis, and comprises direct material and, where applicable, direct labour cost and those overheads that have been incurred in bringing them to their present location and condition. Net realizable value represents the estimate of the selling price in the ordinary course of business, less all estimated cost to completion and costs necessary to make the sale.

i. Revenue recognition
The application of IRFS 15 – "Revenue from Contracts with Customers" requires management to apply the following accounting policy:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Establishment and the revenue can be reliably measured regardless of when payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excluding discounts, rebates, customer returns and other sales taxes or duty e.g. VAT. The following specific recognition criteria followed before revenue are recognized.

Contract revenue and revenue from sale of goods:
The Establishment recognizes revenue from contracts with customers based on the five steps model as set out in IFRS-15:

Step 1 – Identify the contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

5. Material accounting policies (continued)

i. Revenue recognition (continued)

Step 2 – Identify the performance obligation in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or service to the customer.

Step 3 – Determine the transaction price: The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to customer, excluding amounts collected on behalf of third parties.

Step 4 – Allocate the transaction price to the performance obligation in the contract: For a contract that has more than one performance obligations, the Establishment will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Establishment expects to be entitled in exchange for satisfying each performance obligation.

Step 5 – Recognize revenue when (or as) the Establishment satisfies a performance obligation at a point in time or overtime.

The Establishment satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Establishment's performance as the Establishment performs; or
- The Establishment's performance creates or enhances an asset that the customer controls as the asset is created or enhances; or
- The Establishment's performance does not create an asset with an alternative use to the Establishment and the Establishment has an enforceable right to payment for performance completed to date.

The performance obligation, where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied. The Establishment is required to assess each of its contracts with customers to determine whether performance obligations are satisfied overtime or at a point in time in order to determine the appropriate method of recognizing revenue.

As part of the impact assessment exercise, Company has concluded that the majority of its arrangement, it is either creating or enhancing an asset controlled by the customer or it is creating as asset with no alternative use and has an enforceable right to payment for completed. Therefore, it meets the criteria to recognize revenue overtime and measure

5. Material accounting policies (continued)

i. Revenue recognition (continued)

progress of its projects through the cost to complete method (input method) at its best depicts the transfer of control of products and services under each performance obligation. When the Company satisfies a performance obligation by delivering the promised goods or service, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to contract liability.

Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excludes taxes and duty. The Establishment assesses its revenue arrangement against specific criteria to determine if it is acting as principal or agent. The Establishment has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the statement of profit or loss and other comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and the revenue and costs, if applicable, can be measured reliably.

j. Current versus non-current classification

The Establishment presents assets and liabilities in the financial statement of financial position based on current/ non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting year. or;
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting year. or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

5. Material accounting policies (continued)

k. Value Added Tax (VAT) payable / receivable

Value Added Tax (VAT) payable / receivable represents net VAT amount payable to or receivable from UAE Federal Tax Authority against the value added tax charged to the customers by the Establishment on its sales and services and the value added tax charged by the suppliers to the Establishment on its eligible purchases and expenses as per the regulations of Federal Decree Law no. 8 and Cabinet Decision No. 52 of 2017 of United Arab Emirates.

l. Taxes

Income tax comprises current and deferred tax.

Current tax

The Establishment provides for current tax in accordance with the applicable tax laws and represents the amount of corporate tax payable (or receivable) for the period, based on the taxable income (or loss) of the period, using the tax rates enacted or substantively enacted at the reporting date.

Current corporate tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Any adjustments to prior period current taxes are recorded as part of the current tax expense or income.

Deferred tax

Deferred tax is recognized using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognized for all taxable temporary differences, except where the deferred tax arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect either accounting profit or taxable profit (loss).

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply when the related temporary differences reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognized to the extent it is probable that future taxable profits will be available against which the deductible temporary differences or tax losses can be utilized. A deferred tax asset is reviewed at each reporting date, and if it is no longer probable that sufficient taxable profit will be available, the carrying amount of the deferred tax asset is reduced accordingly.

6. Financial risk management

Overview

The Establishment's activities expose it to a variety of financial risk e.g., credit risk, liquidity risk, market risk and operational risk. The Establishment's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Establishment's financial performance.

The Establishment's risk management policies are established to identify and analyze the risks faced by the Establishment, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and products.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations leading to a financial loss to the Establishment. The Establishment is exposed to credit risk from its operating activities (primarily for trade receivables and other receivables and committed transactions) and from financing activities, including deposits with banks and other financial instruments.

The Establishment deals only with highly reputed local and international banks. In respect of major customers, credit risk is managed by assessing the credit quality of these major customers, taking into account their financial position, past experience and other factors including regular follow-up. The Establishment's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

	2026	2025
	AED	AED
Trade receivables	**4,099,728**	2,798,132
Other receivables	**4,567,000**	5,429,238
Fixed deposits	**16,331,250**	9,279,500
Bank balances	**1,926,004**	973,097
	26,923,982	18,479,967

Trade Receivables

Based on historical information in relation to customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

Bank balances

The Establishment limits its credit risk with regard to bank balances by dealing only with reputable banks. The credit risk is limited to the carrying values of the financial assets.

6. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Establishment will encounter difficulty in meeting its financial obligations as they fall due. The Establishment manages the liquidity risk through risk management framework for the Establishment's short, medium, and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitment for liabilities as they fall due.

Ultimate responsibility for liquidity risk management rests with Management which has built Liquidity risk is the risk that the Establishment will encounter difficulty in meeting its financial obligations as they fall due. The Establishment manages liquidity risk through risk management framework for the Establishment's short, medium and long-term funding and liquidity requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure sufficient funds are available to meet its commitment as they fall due.

Below table shows the maturity profile of financial liabilities as at 31 March 2026 based on contractual undiscounted repayment obligations. The contractual maturities of liabilities have been determined based on the remaining period at the statement of financial position date to the contractual maturity date.

		Contractual cash flows		
	Carrying Amount AED	**Within 1 year AED**	**1 year to 3 years AED**	**Undiscounted value AED**
31 March 2026:				
Trade and other payable	5,610,976	5,610,976	-	5,610,976
Amount due to related party	2,992,096	2,992,096	-	2,992,096
Staff terminal benefits payable	6,758	-	6,758	6,758
Secured loan	414,694	256,491	158,203	414,694
	9,024,524	**8,859,5636**	**164,961**	**9,024,524**
31 March 2025:				
Trade and other payable	12,091,421	12,091,421	-	12,091,421
Amount due to related party	2,679,137	2,679,137	-	2,679,137
Staff terminal benefits payable	6,758	-	6,758	6,758
Secured loan	653,710	239,016	414,694	653,710
	15,431,026	15,009,574	421,452	15,431,026

6. Financial risk management (continued)

Currency risk

The currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. The Establishment's exposure to the risk of changes in foreign exchange rates relates primarily to the Establishment's operating activities, when revenue and expenses are denominated in a different currency from the Establishment's functional currency, which is AED.

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in UAE Dirham or US Dollar to which the UAE Dirham is pegged.

Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Establishment's exposure to the risk of changes in market interest rate is limited to its interest-bearing assets and liabilities, so the Establishment is not having interest rate risk.

Operational risk

Operational risk is the risk of direct or indirect loss arising from the Establishment's operations coming from a wide variety of causes associated with the Establishment's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Establishment's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the Establishment's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

7. Determination of fair values

Certain of the Establishment's accounting policies and disclosures require the determination of fair value of financial and non-financial assets. Fair values have been determined for measurement and / or disclosure purposes based on the prescribed methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Establishment and counterparty when appropriate. At the statement of financial position date, the fair values of financial assets and liabilities approximate their carrying amounts.

8. Capital Management

The Establishment's main objective when managing capital is to safeguard the Establishment's ability to continue as a going concern. The Shareholders of the Establishment ensure that the Establishment will be able to continue as a going concern while providing maximum return to shareholders through the optimization of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of the capital.

The capital structure of the Establishment consists of equity funds including Shareholders' current account as presented in the statement of financial position. Debts comprises total amounts to third parties, net of cash at bank. The Establishment manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

There were no changes in the Establishment's approach to capital management during the year. Capital comprises share capital and accumulated profits and is measured at AED 22,123,736/- as at 31 March 2026 (31 March 2025: AED 4,324,182/-)

9. Property, plant and equipment

	Motor Vehicle AED	Total AED
Cost:		
At 01 April 2024	121,197	121,197
Additions during the year	1,171,968	1,171,968
Disposal during the year	(220,443)	(220,443)
At 31 March 2025	1,072,722	1,072,722
Addition during the year	-	-
At 31 March 2026	1,072,722	1,072,722
Accumulated depreciation:		
At 01 April 2024	19,441	19,441
Depreciation charge during the year	118,007	118,007
Depreciation on sale of asset during the year	(40,343)	(40,343)
At 31 March 2025	97,105	97,105
Depreciation charge for the year	214,545	214,545
At 31 March 2026	311,649	311,649
Net book value:		
At 31 March 2025	975,616	975,616
At 31 March 2026	**761,072**	**761,072**

9. Property, plant and equipment (Continued)

Motor Vehicles include AED 115,000(NRV: AED 114,811) being the cost of one vehicle registered in the name of Director held in trust and for the benefit of the Entity.

10. Capital WIP

	2026 **AED**	2025 AED
Capital WIP	**2,976,401**	-

The balance represents advance payments made towards the acquisition of a residential unit located in SAAS hills, Dubai, United Arab Emirates, which is currently under development. The Establishment has entered into a Sale and Purchase Agreement with the developer, and as of the reporting date, the project is approximately 20% completed. The completion and handover of the property is expected in due course in accordance with the agreed construction schedule.

As the property is intended to be held for earning rental income and/or capital appreciation, it is classified as Investment Property under Construction in accordance with IAS 40 – Investment Property. The asset will be transferred to Investment Property upon completion and when it becomes available for its intended use

11. Inventories

	2026 **AED**	2025 AED
Stock in trade	**406,074**	233,582

Inventories are managed, valued, and certified by the Management and are kept at a third-party warehouse facility located at FZS1 Warehouse AH-03, Jebel Ali Free Zone, Dubai, U.A.E.

12. Trade and other receivables

	2026	2025
	AED	AED
Trade receivables	**4,099,728**	2,798,131
Fixed deposits*	**16,331,250**	9,279,500
Advance paid to supplier	**4,359,842**	5,330,937
Other Receivables	**121,903**	3,010
Accrued FD Interest	**85,255**	95,292
Prepayments	**83,072**	66,043
	25,081,050	17,572,913

*The Establishment has maintained Fixed Deposits with maturity periods ranging from 28 days to 365 days at prevailing market interest rates ranging between 2.80% and 3.90% per annum during the year.

Aging analysis of Trade receivable:

	2026	2025
	AED	AED
Due for less than 30 days	**2,945,271**	1,081,404
Due for 30 days and less than 90 days	**354,573**	1,368,060
Due for 90 days and less than 365 days	**511,013**	97,055
Due for 365 days and more	**288,871**	251,612
	4,099,728	2,798,131

13. Cash and Bank balances

	2026	2025
	AED	AED
Cash balance	**9,796**	-
Bank balance	**1,916,208**	973,097
	1,926,004	973,097

14. Share capital

The authorized and issued share capital of the Establishment is AED 150,000/- divided into 1 shares of AED 150,000/- each fully paid. Shareholder, of the Establishment as of 31 March 2026 was as follows:

Detail of shareholders as at 31 March 2026 was as follows:

Name of shareholder	Domicile	**2026 AED**	2025 AED
M/s. Powerica Limited	India	**150,000**	150,000

15. Staff terminal benefits payable

	2026 AED	2025 AED
Opening balance	**6,758**	5,394
Add: Provision created during the year	**-**	1,364
	6,758	6,758

16. Secured loan

	2026 AED	2025 AED
Motor Vehicle Loan	**414,694**	653,710
Current portion	**256,491**	239,016
Non-current portion	**158,203**	414,694
	414,694	653,710

*The above loan is secured and interest-bearing loan at flat rate of 3.79% p.a. and repayable in 36 installments.

17. Trade and other payables

	2026	2025
	AED	AED
Trade payable	**1,065,276**	39,745
Advance received from customers	**1,945,120**	11,897,427
Corporate tax provision	**1,724,071**	46,120
Other provisions	**876,509**	108,129
	5,610,976	12,091,421

18. Related parties' transactions

The Establishment enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosure. Such related parties comprise the Shareholders, key management personnel, associates, joint ventures and entities which are controlled directly or indirectly by the shareholders of the Establishment or over which they exercise significant influence.

The Management decides the terms and conditions of the transactions and services received from and rendered to related parties as well as other charges, if applicable. These terms correspond to those on normal arms-length transactions with third parties.

The following balances were outstanding at the end of the reporting year:

(a) Amounts due to related parties:

	2026	2025
	AED	AED
Trade payable to Powerica Limited	**2,982,558**	2,599,186
Payable to Mr. Farhad Hormazdi	**1,192**	79,951
Payable to Mr. Bharat Oberoi	**8,346**	-
	2,992,096	2,679,137

18. Related parties' transactions (Continued)

(b) Significant related party transactions during the year as follows:

	2026	2025
	AED	AED
i) Cost of revenue		
Powerica Limited	**7,068,075**	7,071,645
ii) Management remuneration-		
(a) Mr. Farhad Hormazdi	**900,000**	660,000
(b) Mr. Jehan Hormazdi	**135,000**	-
	1,035,000	660,000
iii) Other Employee Benefits		
(a) Mr. Farhad Hormazdi	**124,283**	-
(b) Mr. Jehan Hormazdi	**12,753**	-
iv) General and administrative expenses		
Bank Guarantee charges	**91813**	-
Commission charges paid to Shining star power equipment & machinery trading LLC	**646,066**	-
	874,915	-

19. Revenue

	2026	2025
	AED	AED
Revenue from operations	**52,142,494**	10,571,795

20. Cost of Revenue

	2026	2025
	AED	AED
Opening stock	**233,582**	167,466
Add: Import purchase	**29,076,615**	7,423,839
Less: Closing stock	**(406,074)**	(233,582)
	28,904,123	7,357,723
Direct expenses	**5,349,798**	562,302
	34,253,921	7,920,025

21. Other income

	2026 AED	2025 AED
FD Interest Income	**407,553**	198,871
Freight Inward	-	19,832
Penalty charges	**475,339**	-
Project Management Services	**3,672,500**	38,194
	4,555,392	256,897

22. General and administration expenses

	2026 AED	2025 AED
Legal and Professional Expenses	**103,603**	65,617
Rent Expenses	**46,029**	659,038
Salary and Other Staff Related benefits	**271,841**	197,391
Travel Expenses	**66,308**	78,711
Managerial Remuneration (Refer Note 18(b)(ii))	**1,035,000**	660,000
Commission expenses	**646,066**	20,090
Other Expenses	**150,053**	52,900
Bank charges	**41,253**	12,082
Bank LC Charges	**92,985**	-
Bank Guaranty charges	**116,876**	134,643
	2,531,250	1,859,061

23. Finance charges

	2026 AED	2025 AED
Interest on vehicle loan	**38,663**	21,410
Exchange Gain and Loss	**133,441**	22,748
	172,104	44,158

24. Corporate Tax

The United Arab Emirates ("UAE") Corporate Tax ("CT") regime was introduced pursuant to Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("Corporate Tax Law"). In accordance with Article 69 of the Corporate Tax Law, the provisions of the law are applicable for Tax Periods commencing on or after 1 June 2023.

As per Article 3 of the Corporate Tax Law, Corporate Tax is imposed at the following rates:
0% on taxable income not exceeding AED 375,000; and
9% on taxable income exceeding AED 375,000.

Taxable income is determined in accordance with Article 20 of the Corporate Tax Law based on the accounting net profit or loss for the relevant financial year after making the adjustments prescribed under the Corporate Tax Law, including adjustments for non-deductible expenditure, exempt income, reliefs, and any other applicable tax adjustments.
The Establishment follows a financial year commencing from 1 April and ending on 31 March. Accordingly, the relevant Corporate Tax Period for the current financial year is from 1 April 2025 to 31 March 2026.

In accordance with Article 53 of the Corporate Tax Law, the Corporate Tax return for the Tax Period ending 31 March 2026 is required to be filed within nine months from the end of the relevant Tax Period, i.e., on or before 31 December 2026.

Management has assessed the Establishment's Corporate Tax position for the year ended 31 March 2026 based on the applicable provisions of the UAE Corporate Tax Law and has computed the estimated taxable income and related tax liability as follows:.

Computation of taxable income/(loss):

	2026	2025
	AED	AED
Accounting profit/(loss) for the year	**19,525,966**	887,440
Add: Non-deductible expenses	**5,380**	**-**
Taxable profit before tax relief	**19,531,346**	887,440
Less: Threshold eligible for 0%Corporate tax rate	(375,000)	(375,000)
Taxable profit above AED 375,000	**19,156,346**	512,440
Applicable Corporate tax rate	9%	9%
Corporate Tax liability for the year	**1,724,071**	46,120

24. Corporate Tax (Continued)

The Corporate Tax liability has been calculated by applying the applicable Corporate Tax rate of 9% on the taxable income exceeding the threshold eligible for the 0% tax rate under the UAE Corporate Tax regime.

Further, management assessed the impact of temporary differences between the accounting carrying values of assets and liabilities and their corresponding tax bases as at 31 March 2026. Based on this assessment, no material temporary differences were identified requiring recognition of deferred tax assets or deferred tax liabilities in the financial statements. Accordingly, no deferred tax balances have been recognized for the year ended 31 March 2026.

25. Contingent liabilities

	2026	2025
	AED	AED
Bank Guarantee	**8,829,221**	6,732,272

During the period, the Establishment obtained five Bank Guarantees from Standard Chartered Bank to ensure the fulfillment of its contractual obligations. The Establishment obtained a Bank Guarantee amounting to USD 240,000 which remains valid till 15th August 2026. Further, another Bank Guarantee amounting to USD 1,022,700 remains valid till 10th September 2026.

Additionally, the Establishment obtained three Bank Guarantees denominated in EUR towards advance and performance guarantees issued to customers. These include a Bank Guarantee amounting to EUR 824,030 which remains valid till 21st March 2026, and three Bank Guarantees of EUR 54,700 each which remain valid till 30th December 2026 and 14th January 2026, respectively.

26. Comparative amounts

Certain figures for the previous year have been reclassified and rearranged in order to conform to the presentation for the current year. This has been done to improve the quality of information presented in the financial statements. Such reclassification and rearrangement do not affect previously reported net profit or equity.