

IOC MIDDLE EAST FZE
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 MARCH 2026

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IOC MIDDLE EAST FZE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2026

The Directors submit their report together with the audited financial statements of IOC Middle East FZE ('the Company'), for the year ended 31 March 2026.

Principal activity

The principal activity of the Company is trading in crude oil abroad, lubricants & grease, tar & asphalt, petrochemicals and refined oil products abroad.

Financial results and appropriations

The financial results of the Company for the year ended 31 March 2026 are set out in the statement of profit or loss and other comprehensive income.

Shareholder and its interest

Indian Oil Corporation Limited, a company incorporated in India, holds 100% of the issued share capital of the Company, as at the reporting date. There were no changes to the shareholding structure during the year.

Directors

The Directors who served during the year are as follows:

1. John Prasad Kandamparambil (appointed on 25 March 2026)
2. Chakresh Kumar Jain (appointed on 25 March 2026)
3. Puneet Agarwal (appointed on 25 August 2025)
4. Sachin Sharma (Managing Director)
5. Sagar A Mudhole (appointed on 22 August 2025 and resigned on 25 February 2026)
6. Niraj Manohar Nimje (appointed on 22 August 2025 and up to 25 March 2026)
7. Anuj Jain (up to 25 August 2025)
8. Sandeep Jain (up to 25 August 2025)
9. Subrat Kar (up to 25 August 2025)

Auditors

Kreston Menon Chartered Accountants were appointed as auditors of the Company for the year ended 31 March 2026. The Directors absolve Kreston Menon Chartered Accountants from any liabilities on auditing the financial statements for the year ended 31 March 2026. Kreston Menon Chartered Accountants, being eligible, have offered themselves for reappointment for the year ending 31 March 2027.

On behalf of the Board of Directors,


Sachin Sharma

Managing Director

20 April 2026



RR3/350/APR/2026

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
IOC MIDDLE EAST FZE**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IOC Middle East FZE, Jebel Ali Free Zone, Dubai, U.A.E. (the Company'), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information. 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 IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable provisions of the Jebel Ali Free Zone Companies Implementing Regulations 2016, 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Kreston Menon Chartered Accountants

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MEMBER OF THE
FORUM OF FIRMS

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
IOC MIDDLE EAST FZE (Continued)****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 judgment and maintain professional scepticism 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 our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
IOC MIDDLE EAST FZE (Continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

Report on Other Legal and Regulatory Requirements

We further confirm that the financial statements comply with the Jebel Ali Free Zone Companies Implementing Regulations 2016. Also, in our opinion, proper books of account and other records have been maintained in accordance with the said Regulations.

Dubai
20 April 2026



Raju Menon
Reg. No : 271

Kreston Menon Chartered Accountants



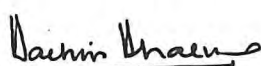
IOC MIDDLE EAST FZE
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	31.03.2026	31.03.2025
		AED	AED
Assets			
<i>Non-current asset</i>			
Property and equipment	4	19,586	36,424
<i>Current assets</i>			
Inventories	6	36,664	56,065
Trade and other receivables	7	2,016,291	900,707
Due from a related party	8	280,271	-
Other current financial assets	9	16,173,873	4,593,275
Cash and cash equivalents	10	1,153,381	14,269,850
Total current assets		19,660,480	19,819,897
Total assets		19,680,066	19,856,321
Shareholder's equity and liabilities			
<i>Shareholder's equity</i>			
Share capital	11	3,550,500	3,550,500
Retained earnings		13,843,495	13,399,914
Total shareholder's equity		17,393,995	16,950,414
<i>Non-current liability</i>			
Provision for employees' end of service benefits	12	210,817	160,014
<i>Current liabilities</i>			
Trade and other payables	13	2,068,471	2,455,686
Due to a related party	8	-	290,207
Provision for tax	20	6,783	-
Total current liabilities		2,075,254	2,745,893
Total liabilities		2,286,071	2,905,907
Total shareholder's equity and liabilities		19,680,066	19,856,321

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.

The financial statements for the year ended 31 March 2026 were approved by the Board of Directors on 20 April 2026 and signed on their behalf by:


Sachin Sharma
Managing Director



IOC MIDDLE EAST FZE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Note	<u>31.03.2026</u> <u>AED</u>	<u>31.03.2025</u> <u>AED</u>
Revenue	14	19,306,484	8,273,731
Cost of sales	15	(17,316,841)	(7,115,544)
Gross profit		1,989,643	1,158,187
Other income	16	607,976	1,262,681
Administrative expenses	17	(1,846,621)	(2,491,304)
Marketing and branding expenses	18	(300,634)	(187,761)
Profit/(loss) from operating activities		450,364	(258,197)
Share of loss in joint venture	5	-	(550,500)
Profit/(loss) before tax		450,364	(808,697)
Tax expense	20	(6,783)	-
Profit/(loss) for the year		443,581	(808,697)
Other comprehensive income		-	-
Total comprehensive income for the year		443,581	(808,697)

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



IOC MIDDLE EAST FZE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	<u>Share capital AED</u>	<u>Retained earnings AED</u>	<u>Total AED</u>
Balance as at 1 April 2024	3,000,000	14,208,611	17,208,611
Total comprehensive income for the year	-	(808,697)	(808,697)
Addition during the year (Note 11)	550,500	-	550,500
Balance as at 31 March 2025	3,550,500	13,399,914	16,950,414
Total comprehensive income for the year	-	443,581	443,581
Balance as at 31 March 2026	3,550,500	13,843,495	17,393,995

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



IOC MIDDLE EAST FZE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Cash flows from operating activities		
Profit/(loss) before tax	450,364	(808,697)
Adjustments for:		
Share of loss in joint venture	-	550,500
Provision for employees' end of service benefits	50,803	10,000
Depreciation of property and equipment	16,838	16,414
Write off of advance to a supplier	(2,077)	-
Interest income	(607,976)	(839,852)
Operating cash flows before changes in working capital	(92,048)	(1,071,635)
Decrease/(increase) in inventories	19,401	(23,036)
(Increase)/decrease in trade and other receivables	(1,113,507)	296,769
Increase in due from a related party	(280,271)	-
Decrease in due to a related party	(290,207)	(423,969)
(Decrease)/increase in trade and other payables	(387,215)	221,145
Net cash used in operating activities	(2,143,847)	(1,000,726)
Cash flows from investing activities		
Purchase of property and equipment	-	(8,269)
(Increase)/decrease in other current financial assets	(11,580,598)	13,019,651
Interest income received	607,976	839,852
Investment in joint venture	-	(550,500)
Net cash (used in)/generated from investing activities	(10,972,622)	13,300,734
Cash flows from financing activity		
Share capital introduced	-	550,500
Net cash generated from financing activity	-	550,500
Net (decrease)/increase in cash and cash equivalents	(13,116,469)	12,850,508
Cash and cash equivalents at beginning of year	14,269,850	1,419,342
Cash and cash equivalents at end of year (Note 10)	<u>1,153,381</u>	<u>14,269,850</u>

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



IOC MIDDLE EAST FZE
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 MARCH 2026

1. GENERAL INFORMATION

IOC Middle East FZE ('the Company') was initially formed and registered with the Jebel Ali Free Zone Authority, Dubai, United Arab Emirates on 19 April 2006 as a Free Zone Limited Liability Company under the name IOCL Trading FZE, under License No. 6863 pursuant to Laws and Regulations applicable to free zone entities. On 11 June 2006, the name was amended to IOC Middle East FZE.

The registered office of the Company is Office No : LB14329 P.O. Box : 261338, Jebel Ali, Dubai, United Arab Emirates.

The principal activity of the Company is trading in crude oil abroad, lubricants & grease, tar & asphalt, petrochemicals and refined oil products abroad.

The immediate parent and ultimate holding company of the Company is Indian Oil Corporation Limited, India.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are presented in Arab Emirates Dirhams (AED) and all values are rounded to the nearest Arab Emirate Dirham. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Statement of compliance

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB).

2.3 Adoption of new and revised IFRS Accounting Standards

In the current year, the Company has applied the following amendment to IFRS Accounting Standards as issued by the IASB, which is mandatorily effective for an accounting period that begins on or after 1 January 2025. Its application has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 21- Lack of Exchangeability

The following Standards, amendments thereto and interpretations have been issued prior to 31 March 2026 but have not been applied in these financial statements as their effective dates of application are for future periods. It is anticipated that their application in the relevant accounting periods will have impact only on disclosures within the financial statements.

Amendments to IFRS 9 and IFRS 7: Disclosures Regarding the Classification and Measurement of Financial Instruments - 1 January 2026

Annual Improvements to IFRS Accounting Standards - Volume 11: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7 - 1 January 2026

IFRS 18: Presentation and Disclosure in Financial Statements - 1 January 2027

IFRS 19: Subsidiaries without Public Accountability: Disclosures - 1 January 2027



IOC MIDDLE EAST FZE
FINANCIAL STATEMENTS AND REPORTS
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2.4 Foreign currencies

(a) Functional and presentation currency

The financial statements are prepared and the items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in U.A.E. Dirhams, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions and from the re-translation of monetary assets and liabilities denominated in foreign currencies at each reporting date are recognised in the profit or loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.5 Property and equipment

Property and equipment is 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 asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company 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 basis over the estimated useful lives of the assets, as follows:

	Years
Furniture & fixtures	4
Office equipment	4

The assets' residual values and useful lives are reviewed at each reporting date, 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 on the disposal or retirement of an item of property and equipment is determined by comparing the disposal proceeds with the carrying amount of the asset and is recognised in the profit or loss.



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2.6 Investment in joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is accounted for at cost less impairment losses, if any. Subsequently the results and assets and liabilities of joint venture is incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is recognised initially in the statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the joint venture. When the Company's share of losses of a joint venture exceeds the Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the joint venture), the Company discontinues recognising its share of further losses.

2.7 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventory is determined on weighted average basis and includes expenditure incurred in acquiring the inventory and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of marketing and selling expenses.

2.9 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use.



IOC MIDDLE EAST FZE
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If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised 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 (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised 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.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets

A financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI") – debt investment; fair value through other comprehensive income ("FVTOCI") – equity investment; or fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are; solely; payments of principal and interest on the outstanding principal amount.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.



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Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the sum of consideration paid and payable is recognised in profit or loss.

2.11 Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model which requires considerable judgement in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. IFRS 9 requires the Company to record an allowance for ECLs for all financial assets at amortised cost, debt investments at FVTOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The Company has three types of financial assets that are subject to IFRS 9's expected credit loss model:

- Trade and other receivables (excluding prepayments and advance to suppliers),
- Other current financial assets, and
- Cash and cash equivalents.

While the above financial assets are subject to the impairment requirements of IFRS 9, the identified impairment loss is immaterial, except for trade receivables.

Under IFRS 9, loss allowances are measured on either of the following bases:

12-month ECLs: these are ECLs that result from possible default within 12 months after the reporting date; and

Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company has applied the Standard's simplified approach for trade receivables and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.



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The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and other short-term highly liquid investments with a maturity date of three months or less from the date of investment, net of temporary bank overdrafts.

2.13 Provisions

Provisions are recognised when the Company 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 expense relating to any provision is recognised in the profit or loss, net of any reimbursement.

2.14 Value Added Tax (VAT) payable/receivable

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

2.15 Provision for employees' end of service benefits

Provision for employees' end of service benefits is made in accordance with the U.A.E. Labour Law, and is based on current remuneration and periods of service at the end of the reporting period.

2.16 Tax expense

The tax expense represents the sum of the current tax payable and deferred tax.

Current tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date, in the countries where the Company operates and generates taxable income. Current tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates as at the balance sheet date that are anticipated to apply to taxable income in the years in which temporary differences are anticipated to be recovered or settled.



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Changes to these balances are recognized in the statement of profit or loss or in other comprehensive income in the period they occur. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.17 Revenue recognition

The details of material accounting policy in relation to the Company's recognition of revenue from sale of goods are set out below.

Revenue is recognised when a customer obtains control of the goods. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. The Company recognises revenue from sale of goods based on a five-step 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.

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

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

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

Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.

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

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which performance obligation is satisfied.



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When the Company satisfies a performance obligation by delivering the promised goods, 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 recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue is recognised based on the following specified recognition criteria:

Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of goods and issuance of the invoices to customers.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

Commission income

The commission income represents the income on sale orders procured for third parties. This income is recognised in the books when the order is completed and on issuance of commission invoice.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, 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.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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:

a) Depreciation of property and equipment

Management assigns useful lives and residual values to property and equipment based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the 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 net book amount in excess of the residual value is depreciated over the revised remaining useful life.

b) Impairment of non-financial assets

Assessments of net recoverable amounts of property and equipment and other non-financial assets are based on assumptions regarding future cash flows expected to be received from the related assets.



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c) Inventory provisions

The Company reviews the carrying amounts of the inventories at each reporting date and assesses the likely realisation proceeds taken into account, the age of inventory, estimated future demand for various items in the inventory, physical damage etc. Based on the assessment, adequate provisions are made.

d) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

e) Significant increase in credit risk

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

f) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.



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4. PROPERTY AND EQUIPMENT

	<u>Furniture & fixtures</u>	<u>Office equipment</u>	<u>Total</u>
	<u>AED</u>	<u>AED</u>	<u>AED</u>
Cost			
At 1 April 2024	172,734	69,429	242,163
Addition	-	8,269	8,269
At 31 March 2025	172,734	77,698	250,432
At 31 March 2026	172,734	77,698	250,432
Accumulated depreciation			
At 1 April 2024	132,982	64,612	197,594
Charge for the year (Note 17)	13,515	2,899	16,414
At 31 March 2025	146,497	67,511	214,008
Charge for the year (Note 17)	13,514	3,324	16,838
At 31 March 2026	160,011	70,835	230,846
Carrying amount			
At 31 March 2026	12,723	6,863	19,586
At 31 March 2025	26,237	10,187	36,424



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5. INVESTMENT IN JOINT VENTURE

At cost:	% of shareholding	31.03.2026 AED	31.03.2025 AED
<i>Beximco IOC Petroleum & Energy Limited</i>	50%		
Balance at the beginning of the year		-	-
Addition during the year (Note 8)		-	550,500
Share of loss recognised during the year (Note 8)		-	(550,500)
Balance at the end of the year		-	-

The Company had invested in 50% of the share capital of Beximco IOC Petroleum & Energy Limited, a company incorporated in Bangladesh on 28 September 2020. The Company has joint control over the venture along with RR Holdings Limited, a company incorporated in United Arab Emirates.

Summary of joint venture's financial information:

	31.03.2026 AED	31.03.2025 AED
Non-current assets	2,521	3,187
Current assets	461,160	466,223
Current liabilities	(958,706)	(919,773)
Net equity/(deficit)	(495,025)	(450,363)
Company's share of net equity/(deficit)	(247,513)	(225,181)
Joint venture's financial results :		
Loss of joint venture for the year	49,776	921,635
Share of loss in joint venture for the year (50%)	24,888	460,819
Company's share of loss in joint venture :		
Unabsorbed losses at the beginning of the year	224,843	314,524
Share of loss in joint venture for the year	24,888	460,819
Unabsorbed loss at the end of the year (A)	249,731	775,343
Unabsorbed losses of previous year charged during the year	-	(314,525)
Share of current year loss during the year to the extend of investment	-	(235,975)
Recognised in profit or loss during the year (B)	-	(550,500)
Unabsorbed loss at the end of the year (A)+(B)	249,731	224,843

The share of loss is recognised only to the extent of investment, where the investment is reduced to zero. If the joint venture subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.



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The licensed activities of the joint venture are to develop, build, acquire, install, construct, own and operate petroleum and energy related projects.

6. INVENTORIES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Lubricants and oils (Note 15)	36,664	56,065

7. TRADE AND OTHER RECEIVABLES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Trade receivables	1,650,904	538,854
Prepayments	250,840	242,542
Accrued interest	78,936	87,228
Refundable deposits	23,611	22,838
Advance to suppliers	12,000	9,050
VAT receivable	-	195
	<u>2,016,291</u>	<u>900,707</u>

Trade receivables are non-interest bearing and generally on 60 days credit terms.

The following table details the risk profile of trade receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer base.

As at 31 March, the age analysis of trade receivables is as follows:

	<u>Current</u>	<u>61 to 180</u>	<u>Total</u>
	<u>AED</u>	<u>days</u>	<u>AED</u>
		<u>AED</u>	
2026			
Gross receivables	1,650,388	516	1,650,904
Provision %	0.00%	0.00%	0.00%
Provision	-	-	-
Net receivables	<u>1,650,388</u>	<u>516</u>	<u>1,650,904</u>
2025			
Gross receivables	538,854	-	538,854
Provision %	0.00%	0.00%	0.00%
Provision	-	-	-
Net receivables	<u>538,854</u>	<u>-</u>	<u>538,854</u>



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8. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include the shareholder, subsidiaries, directors and entities which are controlled directly or indirectly by the shareholder or directors or over which they exercise significant management influence. Transactions and balances between the Company and its related parties are described below. Transactions with related parties were entered into on terms as agreed by the management. The ultimate parent and controlling party is Indian Oil Corporation Limited which is incorporated in India.

During the year, the Company entered into the following transactions with related parties:

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
<i>Parent company :</i>		
Revenue (Note 14)	6,403,426	-
Purchases (Note 15)	3,906,667	2,051,922
Royalty fees (Note 15)	378,066	256,046
Expenses reimbursed to the Company	-	383,913
Expenses paid on behalf of the Company	580,451	377,420
<i>Under common control :</i>		
Revenue (Note 14)	631,795	261,913
<i>Joint venture :</i>		
Additional investment during the year (Note 5)	-	550,500
Share of loss in joint venture (Note 5)	-	(550,500)

Compensation of key managerial personnel

Key managerial remuneration represents the compensation paid or payable to key management for employee services. The key management includes directors and other members of senior management. The compensation of key management for the year is shown below:

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Salaries and allowances	336,420	336,420
Other benefits	217,636	377,420
	554,056	713,840

Compensation of key managerial personnel is included in the employee costs (Note 19).

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

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Due from a related party		
<i>Parent company :</i>		
Indian Oil Corporation Limited, India	280,271	-



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	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Due to a related party		
<i>Parent company :</i>		
Indian Oil Corporation Limited, India	-	290,207

The related party balances are unsecured and expected to be settled by cash.

9. OTHER CURRENT FINANCIAL ASSETS

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Fixed deposits	16,100,752	4,520,154
Margin deposit (Note 25)	73,121	73,121
	<u>16,173,873</u>	<u>4,593,275</u>

The above fixed deposits include deposits of AED 11,388,014 (2025: AED Nil) with IOC Global Capital Management IFSC Limited, India which is a related party.

10. CASH AND CASH EQUIVALENTS

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Cash at bank : Current accounts	1,153,381	14,269,850

11. SHARE CAPITAL

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Authorised, issued and fully paid; 3,550,500 shares of AED 1 each		
Balance at the beginning of the year	3,550,500	3,000,000
Addition during the year	-	550,500
Balance at the end of the year	<u>3,550,500</u>	<u>3,550,500</u>

12. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Balance at the beginning of the year	160,014	150,014
Provision made during the year (Note 19)	50,803	10,000
Balance at the end of the year	<u>210,817</u>	<u>160,014</u>



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13. TRADE AND OTHER PAYABLES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Trade payables	1,274,636	2,187,748
Advance from customers	610,649	237,758
Accrued expenses	174,095	30,180
VAT payable	9,091	-
	<u>2,068,471</u>	<u>2,455,686</u>

14. REVENUE

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
At a point in time :		
Revenue from sale of goods	<u>19,306,484</u>	<u>8,273,731</u>
An analysis of revenue is as follows:		
Related parties (Note 8)	7,035,221	261,913
Others	<u>12,271,263</u>	<u>8,011,818</u>
	<u>19,306,484</u>	<u>8,273,731</u>

15. COST OF SALES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Opening inventories	56,065	33,029
Purchases	16,535,009	6,719,176
Less : Closing inventories (Note 6)	<u>(36,664)</u>	<u>(56,065)</u>
	<u>16,554,410</u>	<u>6,696,140</u>
Royalty fees (Note 8)	378,066	256,046
Freight charges	<u>384,365</u>	<u>163,358</u>
	<u>17,316,841</u>	<u>7,115,544</u>

The above purchases include purchases from parent company amounting to AED 3,906,667 (2025 : AED 2,051,922) (Note 8).

Royalty is paid to the parent company for using the brand name "Servo" which is 3% (2025 : 3%) of the sales by direct shipment from parent company, of the said brand.

16. OTHER INCOME

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Interest income	607,976	839,852
Commission income	-	394,020
Exchange gain	-	6,797
Miscellaneous income	-	22,012
	<u>607,976</u>	<u>1,262,681</u>



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17. ADMINISTRATIVE EXPENSES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Employee costs (Note 19)	1,011,670	1,102,880
Travelling expenses	234,042	202,747
Legal and professional fees	207,593	759,030
Insurance	146,713	125,414
Expenses on short-term leases	93,763	92,264
Communication	38,990	41,254
Bank charges	19,323	23,847
Office expenses	19,297	23,900
Depreciation of property and equipment (Note 4)	16,838	16,414
Exchange loss	14,792	-
Membership fees	4,350	4,150
Miscellaneous expenses	39,250	99,404
	<u>1,846,621</u>	<u>2,491,304</u>

18. MARKETING AND BRANDING EXPENSES

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Marketing and business promotion	74,811	36,311
Branding expenses	223,746	151,450
Write off of advance to a supplier	2,077	-
	<u>300,634</u>	<u>187,761</u>

19. EMPLOYEE COSTS

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Salaries and allowances	826,792	953,040
End of service benefits (Note 12)	50,803	10,000
Other benefits	134,075	139,840
	<u>1,011,670</u>	<u>1,102,880</u>

Managerial remuneration is included in the above employee costs (Note 8).

The entire employee costs have been allocated to administrative expenses (Note 17).

20. CORPORATE TAX

On 9 December 2022, the U.A.E. Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax (CT) regime in the U.A.E. The CT regime will become effective for accounting periods beginning on or after 1 June 2023. Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to a 0% U.A.E. CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate.



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With the publication of this Decision, the U.A.E. CT Law is considered to have been substantively enacted for the purposes of accounting for Income Taxes. The Company is subject to the provisions of the U.A.E. CT Law with effect from 1 April 2024, and current taxes have been accounted for as appropriate in the financial statements for the financial year beginning on or after 1 April 2024.

In 2021, the Organisation for Economic Cooperation and Development ("OECD") published the Global Anti-Base Erosion Model Rules ("Pillar Two Model Rules") with an objective to address the tax challenges arising from the digitalisation of the global economy. The taxable income of the Company for U.A.E. CT purposes will be subject to the rate of 9% corporate tax.

The Company qualifies to be in scope under the Pillar Two Model Rules.

On December 9, 2024, the concerned authorities in United Arab Emirates announced that a "Domestic Minimum Top-up Tax" (DMTT) will be implemented with effect from 1 January 2025. The Company has assessed the impact as at reporting date as per the current guidance and regulations and believe that the Company falls under the Transitional Safe Harbour Rules prescribed. Accordingly, a Top-up Tax under these provisions were not warranted. In accordance with the guidance prescribed under IAS 12 (Income taxes), the Company has applied temporary relief from deferred tax accounting for the impacts of top-up tax and accounts for it as current tax when it is incurred.

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
A. Amounts recognised in profit or loss :		
Current tax expense		
Current year	6,783	-
Tax expense	6,783	-
B. Reconciliation of effective tax rate :		
Profit/(loss) before tax	450,364	(808,697)
Tax using the Company's domestic tax rate at 9%	40,533	-
Tax effect of :		
Basic exemption limit	(33,750)	-
Current tax expense	6,783	-
Effective tax rate	1.51%	0.00%

21. FINANCIAL INSTRUMENTS

The net carrying amounts of the financial assets and financial liabilities at the reporting date are classified as follows :

	<u>At amortised cost</u>	
	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Financial assets		
Trade and other receivables (excluding prepayments, advance to suppliers and VAT receivable) (Note 7)	1,753,451	648,920
Due from a related party (Note 8)	280,271	-
Other current financial assets (Note 9)	16,173,873	4,593,275
Cash and cash equivalents (Note 10)	1,153,381	14,269,850
	19,360,976	19,512,045



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	At amortised cost	
	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Financial liabilities		
Trade and other payables (excluding advance from customers and VAT payable) (Note 12)	1,448,731	2,217,928
Due to a related party (Note 8)	-	290,207
	<u>1,448,731</u>	<u>2,508,135</u>

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.10 to the financial statements.

22. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while providing maximum return to stakeholders through the optimisation of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of capital. The Company's overall strategy on capital risk management remains unchanged from the previous year.

The capital structure of the Company consists of equity funds as presented in the statement of financial position. Debt comprises total amounts owing to third parties and a related party, net of cash and cash equivalents.

23. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's management. The management identifies and evaluates financial risks on regular basis to minimise the adverse impact over the Company's operation.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity price risk and equity risk. The Company's activities are exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.



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The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue or expense are denominated in a different currency from the Company's functional currency which is Arab Emirates Dirham (AED). There are no significant exchange risks as substantially all financial assets and liabilities are denominated in U.A.E. Dirhams or US Dollars to which the U.A.E. Dirham is pegged.

(ii) Interest rate risk

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. As of the reporting date, the Company has fixed deposits as disclosed in Note 9. If the interest rate had strengthened by 1% against the effective rate with all other variables held constant, loss for the year would have been lower by AED 160,860 (2025 : AED 45,202).

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables and committed transactions) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Company 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.

(c) Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date. The Company manages the liquidity risk through risk management framework for the Company's short, medium and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalents to ensure funds are available to meet its commitments for liabilities as they fall due.

The table below analyses the Company's remaining contractual maturity for its financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<u>Less than 1 year</u>	
	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Trade and other payables (excluding advance from customers and VAT payable) (Note 12)	1,448,731	2,217,928
Due to a related party (Note 8)	-	290,207
	<u>1,448,731</u>	<u>2,508,135</u>



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24. FAIR VALUE

The fair value of a particular asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the financial assets and liabilities approximate their carrying amounts as reflected in these financial statements.

25. CONTINGENT LIABILITY

Details of the outstanding contingent liability of the Company which is in the normal course of the business activities is as follows:

	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>AED</u>	<u>AED</u>
Labour guarantee	<u>73,081</u>	<u>73,121</u>

26. SUBSEQUENT EVENTS

Subsequent to the reporting date of 31 March 2026, geopolitical tensions in the Middle East region have continued to evolve, contributing to increased regional and global economic uncertainty.

Management has assessed these developments in accordance with the requirements of IAS 10 - Events after the Reporting Period and determined that these represent non-adjusting events, as the conditions giving rise to these events did not exist at the reporting date. In performing this assessment, management has considered the potential impact on the Company's operations, financial position and cash flows, including possible effects on supply chains, commodity and energy price volatility, inflationary pressures, foreign exchange movements, and counterparty credit risk.

As at the date of approval of these financial statements, no material adverse impact has been identified on the Company's assets, liabilities, or operations. However, given the evolving nature of these developments, management is unable to reliably estimate the potential future financial effects, if any. Accordingly, no adjustments have been made to these financial statements in respect of these events. Management will continue to monitor the situation and take appropriate actions where necessary.

There are no other significant events after the reporting period.

27. COMPARATIVE FIGURES

Previous year figures have been regrouped and reclassified, wherever necessary, to conform with the current year presentation.

