

KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

**Reports & Financial Statements
For the year ended 31 March 2026**

KLING DIGITAL ASSETS - FZCO
Dubai - United Arab Emirates

Reports & Financial Statements
For the year ended 31 March 2026

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DIRECTORS' REPORT

The Directors have the pleasure in submitting their report and the audited financial statements of **KLING DIGITAL ASSETS - FZCO** for the year ended 31 March, 2026 . These financial statements are prepared by management. Management has taken responsibility for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRS Accounting Standards) and the applicable provision of UAE Federal Law No. 32 of 2021 on Commercial Companies and the Articles of Association of the Company and has given clearance for issuance of these financial statements for the year ended 31 March, 2026.

Incorporation and registered offices

KLING DIGITAL ASSETS - FZCO Dubai is a Private Freezone Limited Liability Company, was incorporated on September 8, 2022, operating in the United Arab Emirates under a Service license no. 20472 issued by Dubai Integrated Economic Zones Authority, Dubai Silicon Oasis, Dubai.

Principal activities

The principal activities of the Company are Information Technology Consultants and Portal.

Financial results

Total revenue of the Company for the year amounted to USD 5,152,493/- (2024-2025: 1,411,086/-) and the Company generated a Profit of USD 108,321/- (2024-2025 profit: 230,712/-).

Transactions with related parties

The financial statements disclose related parties transactions and balances. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

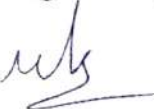
Director/Manager

The following member served as the Director/Manager of the Company during the year:

Mr. Krishna Mohan Meenavalli Manager

Auditors

The financial statements were audited by NBN AUDITING OF ACCOUNTS L.L.C and they have indicated their willingness to continue as the auditor of the Company in 2026. A resolution proposing their re-appointment will be put at the annual general meeting.


Krishna Mohan Meenavalli



INDEPENDENT AUDITOR'S REPORT

The Shareholders

KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **KLING DIGITAL ASSETS - FZCO** ("the **Company**"), which comprises the statement of financial position as on 31 March, 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to 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 on 31 March 2026, and its financial performance and its cash flow for the year ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards).

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 (IESBA code) together with the other ethical requirements that are relevant to our audit of the company's financial statements in the United Arab Emirates, and we have fulfilled our 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.

Other information

Management is responsible for the other information. Other information consists of the information included in the Directors Report of 2026, other than the financial statements and our auditor's report thereon. We obtained the Company's Directors Report, at the date of our auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KLING DIGITAL ASSETS - FZCO (continued)

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS Accounting Standards), and their preparation in compliance with the applicable provisions of the UAE Federal Law No. (32) of 2021 and the Articles of Association of the Company, 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; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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.

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 mistake when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also ;

- Identify and assess the risks of material misstatements 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 controls.
- Obtain an understanding of internal controls 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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KLING DIGITAL ASSETS - FZCO (continued)

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

- Conclude on the appropriateness of managements 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 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 auditors report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' 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 statement, including the disclosures and whether the financial statements represents the underlying transactions and events in a manner that achieve fair presentation.

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

Report on Other Legal and Regulatory Requirements

As required by the UAE Federal Law No.(32) of 2021, we report that, we have obtained all the information and explanation we considered necessary for the purposes of our audit. The Company has maintained proper books of account. The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No.(32) of 2021. The financial information of the Directors report are in agreement with the books of account and recorded company. Material related party balances, transactions, and the terms under which they were conducted are disclosed in note 9. Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 March 2026 any of the applicable provisions of the UAE Federal Law No.(32) of 2021 or of its articles of association which would materially affect its activities or its financial position as at 31 March 2026.

FAHAD SALEH ALI MOHAMMAD HALL
NBN AUDITING OF ACCOUNTS L.L.C
Registration No. 814
Dubai - United Arab Emirates
Date : 30.04.2026



KLING DIGITAL ASSETS - FZCO


Dubai - United Arab Emirates

Statement of Financial Position

As at 31 March 2026

	Notes	2026 USD	2025 USD
ASSETS			
Non-current assets:			
Capital Work-In-Progress		698,332	505,944
Fixed Assets	5	1,093,043	-
Investments	6	4,087,194	-
Total non-current assets		5,878,569	505,944
Current assets:			
Deposits, Advances and prepayments	7	999,170	86,146
Cash and bank balances	8	187,305	158,870
Total current assets		1,186,475	245,016
Total assets		7,065,044	750,960
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity:			
Share capital	9	2,328,055	315,248
Retained earnings		327,447	219,126
Share Premium		692,193	-
Shareholders' current account		1,115,000	205,000
Total Shareholders' funds		4,462,695	739,374
Non-current liabilities:			
Total non-current liabilities		-	-
Current liabilities:			
Accounts & other payables	10	2,602,349	11,586
Total current liabilities		2,602,349	11,586
Total liabilities		2,602,349	11,586
Total shareholders' equity and liabilities		7,065,044	750,960

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


 Krishna Mohan Meenavalli
 Managing Director



KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 USD	2025 USD
Revenue	12	5,152,493	1,411,086
Cost of sales	13	(4,567,780)	(969,084)
Gross profit		584,713	442,002
General and administrative expenses	14	(373,629)	(211,290)
Depreciation on property, plant and equipm	5	(102,148)	-
Profit for the year before tax		108,936	230,712
Income tax expense		(615)	(11,586)
Profit for the year after tax		108,321	219,126
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		108,321	219,126

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


 Krishna Mohan Meenavalli
 Managing Director



KLING DIGITAL ASSETS - FZCO
Dubai - United Arab Emirates

Statement of Changes in Shareholders' Equity
For the year ended 31 March 2026

	Share capital		Retained earnings		Shareholders' current account		Share Premium		Total Shareholders' funds	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
As at 1 April 2024	27,248	-	-	-	-	-	-	-	-	27,248
<i>Changes in Equity:</i>										
a) Comprehensive income	-	219,126	219,126	-	-	-	-	-	-	219,126
b) Net movement	288,000	-	-	205,000	205,000	-	-	-	-	493,000
As at 31 March 2025	315,248	219,126	219,126	205,000	205,000	-	-	-	-	739,374
<i>Changes in Equity:</i>										
a) Comprehensive income	-	108,321	108,321	-	-	-	-	-	-	108,321
b) Net movement	2,012,807	-	-	910,000	910,000	692,193	692,193	692,193	692,193	3,615,000
As at 31 March 2026	2,328,055	327,447	327,447	1,115,000	1,115,000	692,193	692,193	692,193	692,193	4,462,695

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



KLING DIGITAL ASSETS - FZCO

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Statement of Cash Flows

For the year ended 31 March 2026

	2026	2025
	USD	USD
Cash flows from operating activities:		
Profit for the year before tax	108,936	230,712
Adjustments for non cash items:		
Depreciation of property, plant, and equipment	102,148	-
Provision for the Corporate Taxes	(615)	(11,586)
Operating cash flow before changes in operating assets and liabilities	210,469	219,126
Decrease/(increase) in Deposits, Advances and prepayments	(913,024)	(86,146)
Increase in accounts and other payables	2,590,763	(179,110)
Net cash provided by operating activities	1,888,208	(46,130)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,195,191)	-
Increase in capital in progress	(192,388)	-
Increase in Investments	(4,087,194)	-
Net cash (used in) investing activities	(5,474,773)	-
Cash flows from financing activities:		
Net movement in Shareholders' current account	910,000	205,000
Increase in share premium	692,193	-
Increase in share capital	2,012,807	-
Net cash (used in) financing activities	3,615,000	205,000
Net (decrease) / increase in cash and cash equivalents	28,435	158,870
Cash and cash equivalents, beginning of the year	158,870	-
Cash and cash equivalents, end of the year	187,305	158,870

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



KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

Notes to the Financial Statements

For the year ended 31 March 2026

1 General information

KLING DIGITAL ASSETS - FZCO, Dubai– United Arab Emirates (“the Company”) was incorporated on September 8th, 2022 operating as a Private Freezone Limited Liability Company in the United Arab Emirates under a trading license no. 20472 issued by Dubai Integrated Economic Zones Authority, Dubai Silicon Oasis, Dubai. The registered office of the Company is located at Dubai, United Arab Emirates.

The principal activities of the Company are Information Technology Consultants and Portal

The management and control is vested with Mr. Krishna Mohan Meenavalli.

2 Adoption of new and revised standards, interpretation and amendments

The accounting policies adopted in the preparation of financial statements are consistent with those applied by the Company in the interpretation of the financial statements for the year ended 31 March 2026 except for the adoption of the following new standards, interpretation and amendments.

2.1 Standards, interpretations issued and effective for the current year

The Company has adopted all the applicable new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the period beginning on 1 January 2025.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

Amendments to financial statements presentation clarifies the Classification of Liabilities as Current or Non-current based on the contractual arrangements in place at the reporting date. Classification is neither affected by entity’s expectation nor do events occur after financial report date.

KLING DIGITAL ASSETS - FZCO

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

2 Adoption of new and revised standards, interpretation and amendments (continued).

2.1 Standards, interpretations issued and effective for the current year (continued).

- Amendments to IAS 7 and IFRS 7 : Disclosures Related to Supplier Finance Arrangements
Amendments ask entities to provide qualitative and quantitative information about supplier finance arrangements.
- Amendments to IFRS 16 : Lease Liability in a Sale and Leaseback
Amendments that clarify how a seller-lessee subsequently measures sale and leaseback transaction. These amendments had no material impact on the financial statements of the Company.

2.2 Standards, interpretations issued and not yet effective and not early adopted

The Company has not early applied the following new standards, amendments and interpretations that have been issued but not yet effective:

New or revised standards but not yet effective	Effective for annual periods beginning on or after
Amendments to IAS 21 - Lack of exchangeability	01 January 2025
Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments	01 January 2026
IFRS 18- Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 - Subsidiaries without Public Accountability Disclosures	01 January 2027
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture□	Indefinitely deferred

If applicable, the Company intends to adopt these new and amended standards and interpretations when they become effective. The management anticipates that the adoption of the above standards and interpretations in future periods will have no material impact on the financial statements of the Company.

KLING DIGITAL ASSETS - FZCO

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

3 Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standard) as issued by the International Accounting Standard Board (IASB) and applicable provisions of the articles of association of the Company and UAE Federal Law No. 32 of 2021 on commercial companies.

3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis.

3.3 Functional and presentation currency

These financial statements are presented in United States Dollars (USD), which is the Company's Functional Currency. The amounts in the financial statements are rounded to the nearest USD.

3.4 Use of estimates, assumptions and judgment

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgment, estimates and assumption that affect the application of policies and reported amount of assets and liabilities, income and expenses, other disclosures and disclosures of contingent liabilities.

The Company based its assumptions, judgments and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future development, however, may change due to market changes or circumstances arising beyond the control of the Company. Actual results may differ from these estimates. Such changes are reflected in the financial statements when they occur.

Estimates, judgments and underlying assumption are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

Estimates, assumptions and judgments are continually evaluated and are based on management historical experience and other factors, including expectation of future events that are believed to be reasonable under circumstance.

Estimates, assumptions and judgments with significant risk of material adjustment in the future year mainly comprise of the following:

KLING DIGITAL ASSETS - FZCO

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

3 Basis of preparation (continued)

3.4 Use of estimates, assumptions and judgment (continued)

Provision relating to contracts

The Company reviews all its arrangements on a regular basis to identify any arrangements where the unavoidable costs of meeting the obligations under the contracts exceed the economic benefits expected to be received under it. The unavoidable costs under contract reflect the least net cost of exiting from the contract which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The Company estimates any such provision based on the facts and circumstances relevant to the contracts.

Useful lives of property and equipment

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the current usage of the assets compared to full utilization capabilities of the assets and physical wear and tear. Company's management reviews the residual value and useful lives annually.

Impairment losses on property and equipment

The Company reviews its property and equipment to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be reported in the combined statement of comprehensive income, the Company makes judgments as to whether there is any observable data indication that there is a reduction in the carrying value of property and equipment. Accordingly, provision for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property and equipment.

Impairment of inventories

Inventories are stated at the lower of cost or net realizable value. When inventories become slow-moving or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individually basis.

Amounts which are not individually significant but which are slow moving or obsolete, are assessed collectively and provision is made according to inventories type and degree of ageing or obsolescence, based on historical selling prices.

KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

3 Basis of preparation (continued)

3.4 Use of estimates, assumptions and judgment (continued)

Provision for expected credit loss “ECL”

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.

Taxation

The determination of income tax provisions under UAE Corporate Tax Law involves the use of significant judgment and estimation. Given the evolving nature of the tax regulations and the interpretation of certain tax positions, there is inherent uncertainty regarding the appropriate tax treatment of certain matters. Management exercises judgment in interpreting tax regulations and estimating the corresponding tax liabilities. Any deviation between the final tax assessment and the amounts previously recognized may result in adjustments to income tax and deferred tax provisions in the reporting period when such outcomes become known.

Leases estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information

4.1 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

4.2 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any identified impairment losses. The cost of property, plant and equipment represents the purchase cost together with any incidental expenses of acquisition.

Subsequent costs are included in the asset's carrying amount or recognized 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 profit or loss during the financial period in which they are incurred.

Depreciation of an asset begins when it is available for use in the manner intended by management.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

KLING DIGITAL ASSETS - FZCO

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.2 Property, plant and equipment (continued)

Depreciation is calculated on a straight line basis over the estimated useful lives as follows.:

	Years
Software	6
Furniture & office equipment	5
Computers	5

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

Gain or loss arising on disposal of any item of property, plant and equipment (calculated as the difference between the net disposal proceeds, and the carrying amount of the asset) is recognized in the Statement of Profit or Loss.

4.3 Leases

The Company evaluates at the beginning of the lease agreement whether the contract is a lease agreement or includes a rental arrangement. If the contract is wholly or partially transferring the right to control the use of a specific asset from one party to another for a specific period of time in exchange for a specific compensation or allowance, then the Company recognizes the right to use the assets and lease obligations with the exception of short-term leases of one year or less and the leases for leased assets with low value. For these leases, the Company recognizes lease payments as an operating expense on a straight line basis over the term of the lease, unless another systematic basis further presents the period of time in which the economic benefits from the leased assets are amortized.

4.3.1 Company as a lessee

Lease obligations

Lease obligations are recognized and measured initially at the present value of lease payments that have not been paid on the commencement date of the lease contract, and those payments are discounted using the interest rate implicit in the contract, and if it is not known, then the Company uses the incremental borrowing interest rate.

KLING DIGITAL ASSETS - FZCO

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.3 Leases (continued)

4.3.1 Company as a lessee (continued)

Unpaid lease payments include:

- Fixed lease payments less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, measured initially using the index or rate at the start date of the lease.
- The amount the lessee is expected to pay the lessor when there is a residual value guaranteed in the lease agreement.
- The price of exercising buying options, if the lessee is reasonably certain of exercising the options.
- Termination fines, if the lease reflects the exercise of the option to terminate the lease.

The lease liability is presented as a separate component of the Company's statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease obligation and by reducing the carrying amount to reflect the lease payments paid.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- The lease term has changed or there is a significant event or change in circumstances that lead to a change in the evaluation of the purchase option exercise, in which case the lease liability is re-measured by discounting the revised lease payments using the revised discount rate.
- Rental payments change due to changes in an index or rate or change in expected payments under a guaranteed residual value, in which cases the rental liabilities are re-measured by discounting the adjusted rental payments using an unchanged discount rate (unless the rental payments change due to the change in the floating interest rate. In this case, the adjusted discount rate is used.)
- The lease is amended and the lease amendment is not counted as a separate lease contract, in which case the lease liabilities are re-measured based on the modified lease term by discounting the modified lease payments using the modified discount rate at the date of modification.

KLING DIGITAL ASSETS - FZCO

Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.3 Leases (continued)

4.3.1 Company as a lessee (continued)

Right-of-use assets

- Right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made on or before the inception day, minus any lease incentives received and any initial direct costs subsequently measured minus accumulated depreciation and impairment losses.
- When the Company incurs a commitment to the costs of dismantling and removing a leased asset, restoring the site on which it is located, or restoring the asset to the required condition under the terms of the lease contract, the provision is recognized and measured in accordance with IAS (37) and to the extent that the costs relate to the right-of-use assets, the costs are included in related right-of-use assets, unless these costs are incurred to produce inventories.
- Right-of-use assets are depreciated over the shorter period of the contract term or the useful life of the specified asset.
- If the lease contract transfers ownership of the underlying asset or right-of-use cost reflects that the entity expects to exercise the purchase option, then the related use value is depreciated over the useful life of the underlying asset. Depreciation starts on the date of commencement of the lease agreement.
- Right-of-use assets are presented as a separate component in the statement of financial position.
- The Company applies IAS (36) to determine whether the right to use value has decreased and calculates any impairment loss identified as described in the “property, plant and equipment” policy.
- As a practical expedient, IFRS 16 allows a lessee not to separate the non-leased components, and instead any lease contract and associated non-lease components are counted as a single arrangement.

The Company did not use this practical expedient. For contracts that contain a leasing component and one or more leasing or non-leasing components, the Company allocates consideration in the contract to each leasing component based on the independent relative price of the leasing component and the total sum of the single price of the non-leasing components.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.3 Leases (continued)

4.3.2 The Company as a lessor

The Company also enters into lease agreements as a lessor. Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as lease receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortized cost (i.e. after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

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Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.4 Inventories

Inventories are stated at the lower of cost or net realizable value, cost is being determined on weighted average method. Cost includes purchase cost, freight, insurance and other related expenses incurred in bringing the goods to their present condition and location. Net realizable value is based on the normal selling price, less cost expected to be incurred on disposal. Provision is made where necessary for obsolete, slow moving and defective items.

4.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

4.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

• Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost (AC), fair value through other comprehensive income (FVTOCI), and fair value through profit or loss (FVTPL).

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Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

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4 Material accounting policy information (continued)

4.6 Financial instruments (continued)

Financial assets (continued)

• Initial recognition and measurement (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

• Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

• Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (OCI) with recycling
- Financial assets designated at fair value through other comprehensive income (OCI)
- Financial assets at fair value through profit or loss (FVTPL)

As of reporting date, that the Company contracted with only the financial assets at amortized cost.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.6 Financial instruments (continued)

Financial assets (continued)

• Financial assets at amortized cost

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes trade and other receivables, cash and bank balances and due from a related party.

• Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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, discounted at an approximation of the original effective interest rate. ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition and ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company recognizes expected credit loss for trade receivables using the simplified approach. The expected credit loss on these financial assets are estimated using individual assessment based on the management historical credit loss experience on collection, adjusted for factors that are specific to the debtors, based on economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

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Notes to the Financial Statements (continued)
For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.6 Financial instruments (continued)

Financial assets (continued)

• **Impairment of financial assets (continued)**

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. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual arrangement provision of the instrument.

Financial liabilities are initially measured at fair value, net of transaction costs. Financial liabilities can be subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis, or at fair value through profit or loss.

As of reporting date, that the Company contracted with only the financial liability at amortized cost.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

The Company's financial liabilities at amortized cost includes accounts and other payables, bank borrowings and due to a related party.

• **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

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Notes to the Financial Statements (continued)
For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.6 Financial instruments (continued)

Financial liabilities (continued)

• **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle liabilities simultaneously.

4.7 Revenue from contracts with customers balances

Contract assets

A contract asset is the right to the consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring the goods or service to the customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

Trade receivables are amount due from customers for goods sold or services performed in the ordinary course of business. The accounting policies of financial assets in financial instruments paragraph details the initial recognition and subsequent measurement of trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

4.8 Cash and cash equivalents

For the purpose of preparing statement of cash flows "cash and cash equivalents" comprise of cash in hand and unrestricted balances with banks which are subject to an insignificant risk of changes in value.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.9 Employees' end of service benefits

Employees' end of service benefits is calculated in accordance with U.A.E. Labour Law requirements. The entitlement of these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

4.10 Trade payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid and the amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

4.11 Provisions

Provisions are present obligations (legal or constructive) resulted from past events and recognized when the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date. Provisions are reviewed and adjusted at each statement of financial position date. If outflows, to settle the provisions, are no longer probable, reversal of the provision is recorded as income.

4.12 Revenue recognition

Provisions are only used for the purpose for which they were originally recognized. Revenue is measured at an amount that reflects the consideration, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Company recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1: Identify 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 performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service 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 or services to a customer, excluding amounts collected on behalf of third parties.

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Notes to the Financial Statements (continued)
For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.12 Revenue recognition (continued)

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 allocates 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 recognize revenue over time if one of the following criteria is met :

- i) The customer simultaneously receives and consumes the benefits provided by the Company's performance as and when the Company performs or ;
- ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or ;
- iii) The Company's performance does not create as 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 recognized at the point in time at which the performance obligation is satisfied.

4.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in the statement of comprehensive income in the period which they are incurred.

4.14 Foreign currency

Transactions in foreign currencies are translated to UAE Dirhams at the foreign exchange rates at the date of the transaction.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.14 Foreign currency (continued)

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to UAE Dirhams at the spot foreign exchange rate ruling at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in UAE Dirhams at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in the foreign currency translated at the spot exchange rate at the end of the year.

Non monetary assets and liabilities that are measured at fair value in a foreign currency are translated to UAE Dirhams at the spot exchange rate at the date on which the fair value is determined. Non monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate the date of the transaction.

Foreign currency differences arising on translation are generally recognized in statement of comprehensive income.

4.15 Taxes

4.15.1 Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

4.15.2 Income tax expense

Current income tax expenses

Current income tax assets and liabilities are measured at the amount of income taxes payable (recoverable) in respect of the taxable income (tax loss) to the Federal Tax Authority for the year. The tax rate used to compute the income tax is that enacted at the reporting date in the United Arab Emirates.

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Dubai - United Arab Emirates

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4 Material accounting policy information (continued)

4.15 Taxes (continued)

4.15.2 Income tax expense (continued)

Deferred tax

Deferred tax is computed for using the asset and liability method. Deferred tax assets and liabilities are recognized for the full tax consequences of all temporary differences between the financial statements of the Company and the carrying amounts of existing assets and liabilities and their respective tax bases.

- Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base. Temporary differences may be either:

(a) taxable temporary differences, which are temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled; or

(b) deductible temporary differences, which are temporary differences that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.

The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

- Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:
 - (a) deductible temporary differences;
 - (b) the carry forward of unused tax losses; and
 - (c) the carry forward of unused tax credits.
- Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

4.16 Contingent liabilities

Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably. Contingent liabilities are not recognized in the financial statements.

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Notes to the Financial Statements (continued)
For the year ended 31 March 2026

5 Property, plant and equipment	a) Set out below, are the cost, accumulated depreciation and net book value of property, plant and equipment, along with the movements during the period:	Software		Computers		Furniture & fittings		Total	
		USD	USD	USD	USD	USD	USD	USD	USD
Cost									
As at 1st April 2024		-	-	-	-	-	-	-	-
Additions during the year		-	-	-	-	-	-	-	-
Disposals during the year		-	-	-	-	-	-	-	-
As at 31 March 2025		-	-	-	-	-	-	-	-
Additions during the year		1,183,710	9,321	2,160				1,195,191	
Disposals during the year		-	-	-	-	-	-	-	-
As at 31 March 2026		1,183,710	9,321	2,160				1,195,191	
Accumulated depreciation									
As at 1st April 2024		-	-	-	-	-	-	-	-
Depreciation for the year		-	-	-	-	-	-	-	-
Rel. to disposals		-	-	-	-	-	-	-	-
As at 31 March 2025		-	-	-	-	-	-	-	-
Depreciation for the year		100,014	1,736	398				102,148	
Rel. to disposals		-	-	-	-	-	-	-	-
As at 31 March 2026		100,014	1,736	398				102,148	
Net book value									
As at 31 March 2026		1,083,696	7,585	1,762				1,093,043	
As at 31 March 2025		-	-	-	-	-	-	-	-

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Notes to the Financial Statements (continued)
For the year ended 31 March 2026

6 Investments	2026	2025
	USD	USD
Investment in String DePIN and AI Ltd	2,724,796	-
Investment in String Digital Assets Ltd	1,362,398	-
	<u>4,087,194</u>	<u>-</u>
7 Deposits, Advances and prepayments		
This item consists of the following :		
	2026	2025
	USD	USD
Deposits	1,095	-
Hyper Exchange	9,362	-
Investment Through Dex	40,000	-
String Fintech HK Ltd	813,500	-
Other Current Assets	135,212	86,146
	<u>999,170</u>	<u>86,146</u>
8 Cash and bank balances		
	2026	2025
	USD	USD
Cash on hand	-	-
Current accounts with banks	187,305	158,870
	<u>187,305</u>	<u>158,870</u>

9 Share capital

Authorised, issued and paid up capital of the Company is AED 8,546,000 divided into 8546 shares of AED 1000 each, fully paid.

The break-up of the shareholding as at 31 March 2026 was as follows:

<u>Name</u>	<u>No. of shares</u>	<u>Percentage of holding</u>	<u>AED</u>
M/s. String Metaverse Limited	8446	98.83%	8,446,000
Mr. Krishna Mohan Meenavalli	100	1.17%	100,000
	<u>8546</u>	<u>100%</u>	<u>8,546,000</u>

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

The break-up of the shareholding in USD as at 31 March 2026 was as follows:

<u>Name</u>	<u>No. of shares</u>	<u>Percentage of holding</u>	<u>USD</u>
M/s. String Metaverse Limited	8446	98.83%	2,300,807
Mr. Krishna Mohan Meenavalli	100	1.17%	27,248
	8546	100%	2,328,055

10 Accounts & other payables

The breakdown of provisions and other payables is outlined below:

	2026	2025
	USD	USD
String DePIN and AI Ltd	2,460,470	-
String Digital Assets Ltd	30,893	-
Other Current Liabilities	110,987	11,586
	2,602,349	11,586

11 Income tax expenses

The UAE introduced Federal Decree-Law No. 47 of 2022, known as the "Corporate Tax Law" (the "CT Law"). The CT Law, which governs corporate taxation in the UAE, is effective for financial years commencing on or after 1 June 2023. As such, the first taxable period for the Company is the year ending 31 March 2025. In accordance with Article 3 of the CT Law, in conjunction with Cabinet Decision No. 116 of 2022, a corporate tax rate of 9% is applicable to taxable income exceeding AED 375,000/-.

The major components of income tax expenses disclosed in the statement of income for the year are as follows:

	2026	2025
	USD	USD
Accounting profit for the year before tax	108,936	230,712
Add : Non-deductible expense for tax purpose	-	-
Net taxable income	108,936	230,712
Tax due:		
0% on net taxable income upto AED 375,000	-	-
9% on net taxable income above AED 375,000	615	11,586
Income tax expenses	615	11,586
Income tax provision	615	11,586

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

12 Revenue

	2026	2025
	USD	USD
Income from Gaming/ Ads	5,092,404	1,184,496
Income from IT Services	60,089	226,590
	<u>5,152,493</u>	<u>1,411,086</u>

13 Cost of sales

	2026	2025
	USD	USD
Cost of Revenue	4,567,780	969,084
	<u>4,567,780</u>	<u>969,084</u>

14 General and administrative expenses

	2026	2025
	USD	USD
Salaries and other benefits	172,431	107,700
Legal, visa and professional charges	97,135	102,043
Conversion Charges	750	-
Internet Charges	1,292	-
Tour and Travelling Exp	1,626	-
License & Renewals	20,347	-
Marketing and Promotion Exp	12,535	-
Electricity charges	2,516	-
Busines Promotion Expenses	8,013	-
Printing and Stationery	1,552	-
Rent -Flat	25,317	-
Staff Welfare	483	-
Audit Fee	2,306	-
Travel Expenses	1,916	-
Visa & Medical Insurance EXP	4,190	-
Bank charges	21,221	1,547
	<u>373,629</u>	<u>211,290</u>

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

15 Fair value of financial instruments

Fair value 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 value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the assets or transfer the liability at the measurement date under current market conditions.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either :

- a) In the principal market for the asset or liability; or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company must have access to the principal (or most advantageous) market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and cash at bank, account and other receivables, due from related parties. Financial liabilities consist of due to a related party, lease liabilities, bank borrowings, account and other payables.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16 Risk management

Risk is inherited in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. Operational risks are an inevitable consequence of being in the business.

The Company is exposed to a variety of financial risks included : capital risk, market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks through internal reports which analyze the risk to achieve its risk management function and monitor risks and reviews policies implemented to mitigate risk exposures.

The Company's activities expose it to a variety of financial risks ; Credit risk, Liquidity risk and Market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further qualitative disclosures are included throughout these financial statements.

16.1 Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for partners and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to partners, return capital to partners, increase the capital or sell assets.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices, such as interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return on risk.

a) Foreign currency risk

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

The Company's activities are not exposed to the financial risks of changes in foreign currency exchange rates because substantially all the financial assets and liabilities are denominated in UAE Dirhams (AED) or US Dollars to which the AED is pegged.

b) 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. The Company is exposed to interest rate risk resultant from its borrowings. The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balance at the start of the financial

16.3 Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from financial assets recorded at amortized cost such as cash and cash equivalents and accounts receivable.

The Company trade with recognized, creditworthy parties. The Company's policy that all customers are analyzed for creditworthiness on credit terms and are subject to monitor the receivable balances of customers on an ongoing basis, that receivable balances are the maximum exposure to credit risk relating accounts receivable.

The Company applies IFRS 9 simplified approach to measure expected credit loss (ECL) by grouping all financial assets based on shared credit risk characteristics and days past due.

The expected loss rates are based on the payment profiles of that business transaction and the corresponding historical credit loss experienced within this period.

The historical loss rates are adjusted to reflect current and future information on macro economic factors affecting the abilities of the customers to settle their receivable balances, with respect to credit risk arising from other financial assets such as cash and bank balances including deposits arising from default of counter party to limit that credit risk. The Company's cash is placed with banks of repute. Management is confident that it does not result in any credit risk to the Company as the banks are major banks operating in UAE.

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16 Risk management (continued)

16.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due , under both normal and stressed conditions, without unacceptable losses or risk damage to the Company's business and reputation.

The following are the contractual maturities of financial liabilities of the Company at reporting date.

As at 31 March 2026

	Less than 3 months USD	3 months to 12 months USD	Above 12 months USD
	-	-	-
	-	-	-

As at 31 March 2025:

	Less than 3 months USD	3 months to 12 months USD	Above 12 months USD
	-	-	-
	-	-	-

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Notes to the Financial Statements (continued)

For the year ended 31 March 2026

17 Capital management

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. Capital comprises share capital, statutory reserve, retained profits and shareholders' current account, and is measured at 31 March 2026.

18 Fair values

At the statement of financial position date, the fair values of financial assets and liabilities, approximate, to their carrying amounts.

19 Comparative amount

Comparative figures are presented from the last year audited financial statements and wherever necessary the comparatives have been re classified to confirm to current periods classifications. These reclassification does not impact the previously reported profit , equity or total assets.