CUMI MIDDLE EAST FZE

RAS AL KHAIMAH ECONOMIC ZONE

RAS AL KHAIMAH

UNITED ARAB EMIRATES

FINANCIAL STATEMENTS AND REPORT OF THE AUDITOR

FOR THE YEAR ENDED

31 MARCH, 2026

CUMI MIDDLE EAST FZE

RAS AL KHAIMAH ECONOMIC ZONE

RAS AL KHAIMAH

UNITED ARAB EMIRATES

31 MARCH, 2026

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CUMI MIDDLE EAST FZE
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CUMI

كومي ميدل إيست م م ع
(شركة تابعة كاربورندم يونيفرزل ليميتد)
٣١٥، مركز أعمال ٣، ص. ب. ١٦١٩٠،
RAK منطقة تجارة حرة، رأس الخيمة، إ.ع.م.
هاتف: ٨١ ٦١ ٢٠٤ ٧ ٩٧١+، فاكس: ٨٢ ٦١ ٢٠٤ ٧ ٩٧١+
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<u>CUMI MIDDLE EAST FZE - RAS AL KHAIMAH,U.A.E</u>
<u>Manager's report for the year ended 31 March 2026</u>

We have pleasure in submitting the financial statements for the year ended 31 March 2026.

Principal activities and review of business developments
The Establishment is licensed to carry on the business of general trading and therefore it may trade in any products and commodities except tobacco, alcohol and armaments.

Results
During the year, the Establishment earned revenue of other income of USD 127,500. Net loss for the year amounted to USD 20,208.

Legal Structure
Cumi Middle East FZE-Ras Al Khaimah, U.A.E ("the Establishment") is registered with the Ras Al Khaimah Economic Zone -Ras Al Khaimah, UAE, under License No 7000813 issued on 10 July, 2012.

Share Capital
In accordance with the share certificate issued by the Free Zone Authority of RAK, the Establishment is owned by Messrs CUMI International Limited, a Company incorporated under the law of Republic of Cyprus.

Events during the year
The Establishment obtained a new service license from Ras Al Khaimah Economic Zone – Ras Al Khaimah, UAE, under License No 47020276 issued on 4 April, 2025, authorizing it to engage in Marketing Management.

<u>Market Glance:-</u>

- Saudi and UAE are two major markets at USD 450Mn worth of Abrasives purchase in 2030
- CAGR is at 6 to 7%
- UAE expected to grow from USD 159Mn to USD 230Mn by 2030 @ 7% CAGR and Saudi from USD 130Mn to USD 222Mn by 2030 @ CAGR of 9%
- Major imports are from China (30%), Germany (15%) and Other EU

<u>Industry which Cumi Middle East have opportunity :-</u>

- Oil and Gas, Fabrication, Construction, Ship Building are the major Industries of opportunity
- Pipe & tube manufacturers
- Retail outlets catering to fabrication and construction industry segment

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RAK Free Trade Zone
P.O. Box: 16190
Ras Al Khaimah
U.A.E.
CUMI MIDDLE EAST FZE

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- Wood Working & Stone Fitout

- Auto After (Body Workshop)

Auditors
The financial statements for the year ended 31 March, 2026 have been audited by Stuart and Hamlyn Chartered Accountants, and being eligible, offered themselves for reappointment.

Statement of Manager's responsibilities
The Manager is responsible for preparing the financial statements in accordance with applicable laws and regulations.

Ras Al Khaimah Economic Zone's regulations require the Manager has to prepare financial statements for each financial year. Under that regulation the Manager has prepared the Establishment's financial statements in accordance with International Financial Reporting Standards. The financial statements are required by regulations to give a true and fair view of the state of affairs of the Establishment.

The Manager confirms that financial statements of the Establishment have been prepared on the going concern basis, and in accordance with the International Financial Reporting Standards, subject to any material departures disclosed and explained in the notes to the financial statements and in accordance with the applicable provision of Ras Al Khaimah Economic Zone and other applicable laws and regulations.

The Manager also confirms that, in preparing these financial statements, suitable accounting policies have been selected and consistently applied and that reasonable and prudent judgements and estimates have been made.

The Manager confirms that proper books of accounts have been kept which accurately reveal at any time the financial position of the Establishment, and enable them to ensure that the financial statements comply with applicable laws and regulations.

The Manager is aware of his responsibility of safeguard the assets of the Establishment and to take reasonable steps for the prevention and detection of fraud and other irregularities.

For and or behalf of <u>**Cumi Middle East FZE-Ras Al Khaimah, U.A.E**</u>

....
Ras Al Khaimah,
15th April 2026

كومي ميدل ايست م م ح
RAK Free Trade Zone
P.O. Box: 16190
Ras Al Khaimah
U.A.E.
CUMI MIDDLE EAST FZE

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Our Ref: 177/DXB/26

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of
Messrs. Cumi Middle East FZE
P.O. Box 16190
Ras Al Khaimah
United Arab Emirates

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Messrs. Cumi Middle East FZE –Ras Al Khaimah, U.A.E. (The Establishment), which comprise the statement of financial position as at 31 March, 2026, 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 the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Messrs. Cumi Middle East FZE - Ras Al Khaimah, U.A.E (The Establishment) as at 31 March, 2026, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Establishment within the meaning of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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. The other information comprises of the 'Manager's Report' which is set out on pages 1-2. The other information does not include the financial statements and our auditor's report thereon.

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

Based on the work we have performed on the other information that we obtained, if 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.

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 IFRSs, and for such internal control that the management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Establishment's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 it 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 skepticism throughout the planning and performance of 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 Establishment'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 Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our auditor's report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may affect the Establishment's ability 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.

We are required to 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

Also in our opinion:

i) We have obtained all the information we considered necessary for the purposes of our audit;

ii) The Establishment has maintained proper books of accounts;

iii) Note 7 to the financial statements of the Establishment discloses material related party transactions and the terms under which they were conducted;

iv) Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Establishment has contravened during the financial year ended 31 March, 2026 any of the applicable provisions of RAK Free Trade Zone Authority which would materially affect its activities or its financial position as at 31 March, 2026.

ستوارت & هاملين محاسبون قانونيون
P.O.Box:92224
DUBAI - U.A.E.
Stuart & Hamlyn Chartered Accountants

Joseph Philip
Registration No. 749
STUART & HAMLYN
CHARTERED ACCOUNTANTS

ISSUED IN DUBAI ON 15 APRIL, 2026

CUMI MIDDLE EAST FZE - RAS AL KHAIMAH - U.A.E.
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH, 2026

Assets	**Note**	**2026 US$**	**2025 US$**
Current assets			
Financial assets	5	3,935	5,723
Non-financial assets	6	11,301	9,231
Due from related party	7	25,000	40,000
Cash and cash equivalents	8	7,458	9,839
Total		47,694	64,793
Total assets		**47,694**	**64,793**
Liabilities and equity			
Non-current liabilities			
Provision for employees' end of service benefits	9	25,502	21,677
Current liabilities			
Financial liabilities	10	12,548	13,264
Non-financial liabilities	11	1,359	1,359
Total		13,907	14,623
Total liabilities		39,409	36,300
Equity			
Share capital	12	27,248	27,248
Voluntary reserve	13	13,624	13,624
(Accumulated losses)		(32,587)	(12,379)
Total equity	14	8,285	28,493
Total liabilities and equity		**47,694**	**64,793**

The accounting policies and notes attached herewith form part of these financial statements.

The independent auditors' report is set forth on page 3-5

The director has approved the financial statements and authorised for issuance on 15 April, 2026.

x C-

DIRECTOR

CUMI MIDDLE EAST FZE
P.O. Box: 16190
Ras Al Khaimah
U.A.E.

CUMI MIDDLE EAST FZE - RAS AL KHAIMAH - U.A.E.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH, 2026

	Note	2026 US$	2025 US$
Revenue	15	127,500	21,001
Cost related to revenue	16	-	(21,295)
Administrative and other general expenses	17	(147,708)	(149,634)
Operating (loss) before other income		(20,208)	(149,928)
Other income	18	-	132,943
Net (loss) before tax for the year		**(20,208)**	**(16,985)**
Corporate tax expense		-	-
Net (loss) for the year		**(20,208)**	**(16,985)**
Other comprehensive income		-	-
Total comprehensive (loss) for the year		**(20,208)**	**(16,985)**

The accounting policies and notes attached herewith form part of these financial statements.

The independent auditor's report is set forth on pages 3 - 5

The director has approved the financial statements and authorised for issuance on 15 April, 2026.

DIRECTOR

CUMI MIDDLE EAST FZE - RAS AL KHAIMAH - U.A.E.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH, 2026

	Share capital US$	Statutory reserve US$	Retained earnings / (Accumulated losses) US$	Total US$
Balance at 31 March, 2024	27,248	13,624	4,606	45,478
Net (loss) for the year ended 31 March, 2025	-	-	(16,985)	(16,985)
Balance at 31 March, 2025	27,248	13,624	(12,379)	28,493
Net (loss) for the year ended 31 March, 2026	-	-	(20,208)	(20,208)
Balance at 31 March, 2026	**27,248**	**13,624**	**(32,587)**	**8,285**

The accounting policies and notes attached herewith form part of these financial statements.

The independent auditor's report is set forth on pages 3 - 5

For identification purpose only

CUMI MIDDLE EAST FZE - RAS AL KHAIMAH - U.A.E.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH, 2026

	Note	2026 US$	2025 US$
Operating activities			
Net (loss) for the year		(20,208)	(16,985)
Adjustments for:			
Depreciation		-	5,342
Provision for employees' end of service benefits		3,825	4,512
Net cash flow before changes in operating assets and liabilities		(16,383)	(7,131)
Changes in operating assets and liabilities:			
Inventory		-	40,523
Financial asset		1,788	105,286
Non financial asset		(2,070)	176
Financial liabilities		(716)	(8,975)
Non financial liabilities		-	16
Movement in related party balances		15,000	(151,666)
Net cash (used in) operating activities		(2,381)	(21,771)
(Decrease) in cash and cash equivalents		(2,381)	(21,771)
Cash and cash equivalents at the beginning of the year		9,839	31,610
Cash and cash equivalents at the end of the year	8	**7,458**	**9,839**

The accounting policies and notes attached herewith form part of these financial statements.

The independent auditor's report is set forth on pages 3 - 5

For identification purpose only

Note 1 General information

1.1 Formation

CUMI MIDDLE EAST FZE - (The Establishment) was formed as a Free Zone Establishment with Limited Liability at Ras Al Khaimah Economic Zone on 11 December, 2005 in accordance with the provisions of the Free Zone Regulations of the Emirate of Ras Al Khaimah pursuant to Emiri decree dated 1 May, 2000. The Establishment operates under trade license No. 7000813.

1.2 Activities

The Establishment is licensed to carry on the business of general trading and therefore it may trade in any products and commodities except tobacco, alcohol and armaments.

1.3 Address

The registered address of the Establishment is B04-315, Business center 03, RAKEZ, Ras Al Khaimah, United Arab Emirates.

1.4 Ownership

In accordance with the share certificate issued by the Free Zone Authority of RAK, the Establishment is owned by Messrs. CUMI International Limited, a Company incorporated under the law of Republic of Cyprus.

Note 2 Basis of preparation and presentation

2.1 Statement of compliance

The financial statements of the Establishment have been prepared in accordance with International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied all the years presented unless otherwise stated.

2.2 Basis of preparation

The financial statements have been prepared in accordance with historical cost convention. Under historical cost convention, assets are carried at its original cost to the Establishment.

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.

2.3 Going concern assumption

These financial statements have been prepared prudently on the assumption that Establishment as an entity shall continue in business for the foreseeable future and taking into account expenses and income related to the financial period irrespective of whether they have been paid and received.

The management has, at the time of approving the financial statements, a reasonable expectation that the Establishment has adequate resources to continue in operational existence for the foreseeable future. Thus the Establishment adopts the going concern basis of accounting in preparing the financial statements.

2.4 Adoption of new and revised International Financial Reporting Standards (IFRSs)

2.4.1 New standards, interpretations and amendments effective for the current period

The following new and revised standards and interpretations have been adopted in the current year.

International Accounting Standards (IAS/IFRSs)	*Effective date*
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)	1-Jan-2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1-Jan-2026
Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	1-Jan-2026

2.4.2 New standards, interpretations and amendments in issue but are not yet effective

Standards, amendments and interpretations issued but not yet effective at the date of authorisation of these financial statements are listed below. The Establishment intends to adopt those standards when they become effective.

International Accounting Standards (IAS/IFRSs)	*Effective date*
IFRS 18 Presentation and Disclosure in Financial Statements	1-Jan-2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1-Jan-2027
IAS 21 The Effects of Changes in Foreign Exchange Rates	1-Jan-2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	To be determined

2.5 Functional and presentation currency

The reporting currency of the Establishment in which these financial statements are expressed is United States Dollar. Transaction in national currency i.e; United Arab Emirates Dirhams (AED), is taken at fixed rate of exchange of US Dollar 1 equal to 3.68 AED.

Note 3 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied all the years presented unless otherwise stated.

The preparation of financial statements in conformity with International Financial Reporting Standard requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in process of applying the Establishment's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are material to the financial statements are disclosed in Note (4).

3.1 Foreign currency translation

Foreign currency transactions are translated into functional currency using the exchange rates on a monthly average basis. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

For identification purpose only

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within "finance income or costs". All other foreign exchange gains and losses are presented in profit or loss within 'other (losses)/gains - net.

3.2 Current/ Non-current classification

The Establishment 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 realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle or it is held primarily for the purpose of trading or 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 period.

The Establishment classifies all other liabilities as non-current.

3.3 Fair value measurement

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 is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible to or by the Establishment.

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.

3.4 Property, plant and equipment

Recognition and measurement:

Property, plant and equipment are stated at historical costs less accumulated depreciation and any accumulated impairment losses. Historical costs include expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

For identification purpose only

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 expenditure will flow to the Establishment and such cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

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 a prospective basis.

If there is an evidence of asset being impaired, the Establishment estimates the net recoverable amount and the assets' carrying amount is written down to its recoverable amount if the carrying amount is found to be greater than the estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the other gain/losses - net in the statement of profit or loss and other comprehensive income.

Depreciation:

Items of property, plant, and equipment are depreciated on a straight - line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Establishment will obtain ownership by the end of the lease term. Items of property, plant, and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. The estimated useful lives for the current and comparative years of significant items of property, plant, and equipment are as follows:

	Expected useful life (years)
Computers and office equipment	3
Motor vehicles	4

3.5 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.7 Financial assets

Financial assets comprise of cash and cash equivalents, due from related parties and accounts and other receivables.

For identification purpose only

Classification

The Establishment classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI "FVTOCI", or through profit or loss "FVTPL"),

- and those to be measured at amortised cost.

The classification depends on the Establishment's business model for managing the financial assets and the contractual terms of the cash flows.

The Establishment reclassifies debt investments when and only when its business model for managing those assets changes.

Financial assets that do not meet the criteria for amortised cost or FVOCI are classified as and measured at fair value through profit or loss. A gain or loss on a debt investment measured at fair value through profit or loss which is not part of a hedging relationship is recognised in the statement of profit or loss for the year in which it arises.

The Establishment derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Establishment.

If the Establishment neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Establishment recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Establishment retains substantially all the risks and rewards of ownership of a transferred financial asset, the Establishment continues to recognise the financial asset.

Measurement

At initial recognition, the Establishment measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

3.7.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Establishment's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

3.7.2 *Receivables*

Receivable balances that are held to collect are subsequently measured at the lower of the amortised cost or the present value of estimated future cash flows. The present value of estimated future cash flows is determined through the use of value adjustments for uncollectable amounts. The Establishment assesses on a forward-looking basis the expected credit losses associated with its receivables and adjusts the value to the expected collectible amounts.

For identification purpose only

Receivables are written off when they are deemed uncollectable because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on receivables takes into account credit-risk concentration, collective debt risk based on average historical losses, specific circumstances such as serious adverse economic conditions in a specific country or region, and other forward-looking information.

3.7.3 *Other financial assets*

Other financial assets include both debt instruments and equity instruments. Debt instruments include those subsequently carried at amortised cost, those carried at FVTPL, and those carried at FVTOCI.

3.7.4 *Derecognition of financial assets*

The Establishment derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Establishment. If the Establishment neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Establishment recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Establishment retains substantially all the risks and rewards of ownership of a transferred financial asset, the Establishment continues to recognise the financial asset.

3.8 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Establishment's financial liabilities include other payables, loans and borrowings, due to and loans from related parties.

3.8.1 *Trade payables*

Trade payables are recognised initially at the transaction price and stated in the statement of financial position at their nominal value.

3.8.2 *Other payables*

Other payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers. Other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Other payables are recognised initially at fair value and subsequently are measured at amortised cost using the effective interest method.

3.8.3 *Derecognition of financial liabilities*

The Establishment derecognises financial liabilities when, and only when, the Establishment'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 recognised in the statement of profit or loss.

For identification purpose only

3.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.10 Inventories

Inventory at 31 March 2026 is valued at lower of cost and net realisable value of each item. Cost includes all expenditure incurred in the normal course of business in bringing inventory to its present location and condition and is calculated on the weighted average cost method. Net realisable value is based on the estimated selling price less the estimated cost of selling. Allowance for slow-moving and obsolete inventory has been adequately considered.

3.11 Provisions

Provisions are recognised when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that the Establishment will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.12 Contingencies and commitments

Contingent liabilities are not recognised in the financial statements. They are only disclosed in financial statements unless the possibility of an outflow of economic benefits is remote.

3.13 Revenue recognition

The Establishment derives revenue from trading and marketing management.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Establishment expects to be entitled in exchange for those goods or services.

The Establishment recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contracts with customers: 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.

2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract to transfer a good or service to the customer.

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

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4. Allocate the transaction price to each of the performance obligations in the contract:

5. Recognise revenue when (or as) the Establishment satisfies a performance obligation at a point in time or over time.

Sale of goods or services

Revenue from the sale of goods in the normal course of business is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Establishment expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Establishment may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Revenue for the sale of goods is recognised when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services is accounted for separately based on their stand-alone selling prices. Revenue is recorded net of value added tax (VAT). A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

The Establishment generates revenue from services, that can be sold separately, on stand alone basis and the revenue is recognized over time.

3.14 Value Added Tax (VAT)

Value Added Tax (VAT) asset /liability is recognised in the books on the basis of regulations defined by Federal Tax Authority (FTA).

Expenses and assets are recognised net of the amount of value added tax, except:

When the value added tax incurred on a purchase of assets or services is not recoverable as per UAE VAT Law, in which case, the value added tax 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 Value Added Tax included, the net amount of Value Added Tax recoverable from, or payable to, the taxation authority is reported under trade and other receivables or payables in the financial statements.

3.15 Share capital

Share capital is recorded at the amount received towards subscribing to the capital.

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3.16 Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Note 4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Establishment's accounting policies, which are described in policy notes, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Critical judgements in applying accounting policies

In the process of applying the Establishment's accounting policies, which are described above, and due to the nature of operations, management makes the following judgement that has the most significant effect on the amounts recognised in the separate financial statements.

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Determining the timing of satisfaction of performance obligations - revenue recognition

In making their judgement, the Establishment considers the detailed criteria for the recognition of revenue set out in IFRS 15, and in particular, whether the Establishment has transferred control of the goods to the customer. The management is satisfied that control has been transferred and that recognition of revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision as applicable.

Business model assessment - classification and measurement of separate financial statements

Classification and measurement of financial assets depends on the results of business model test. The Establishment determines the business model at a level that reflects how Establishment's of financial assets are managed together to achieve a particular business objective.

Key sources of estimation uncertainty

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.

Fair value of financial assets

Valuation techniques are used to determine the fair values of financial instruments that are not traded on an active market. The Establishment uses its judgement to select from various methods and makes assumptions that are mainly based on market conditions existing at the end of reporting period.

Employees' end of service benefits

The employees end of service benefit provision is calculated on the assumption that all employees were to leave the Establishment as at the reporting date. The management opines that there shall be no significant difference if the liability was calculated on actuarial basis, since the increment / inflation rate of salary expense would offset the discount rate.

Note 5 Financial assets

	2026 US$	2025 US$
Advance to staff	-	1,788
Refundable deposits	3,935	3,935
Total	3,935	5,723

Note 6 Non-financial assets

	2026 US$	2025 US$
Prepayments	11,024	9,176
VAT receivable	277	55
Total	11,301	9,231

Note 7 Related party - Carborandum Universal Limited India and associated entities

The Establishment enters into transactions with other parties that fall within the definition of a related party contained in International Financial Reporting Standards (IAS 24). Transaction with related party are entered on terms as agreed by the management.

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Messrs. Carborandum Universal Limited India and associated entities are related parties. Related party transactions and balances arising out of these transactions at 31 March, 2026 are as follows:

Non-commercial transactions - due from	2026 US$	2025 US$
Balance at 1 April,	40,000	-
Trade referral fee	127,500	127,500
Receipts during the year	(142,500)	(87,500)
Total due from	25,000	40,000

Note 8 Cash and cash equivalents

	2026 US$	2025 US$
Bank current account balances	7,458	9,839
Total	7,458	9,839

Note 9 Provision for employees' end of service benefits

	2026 US$	2025 US$
Balance at 1 April,	21,677	17,165
Charge for the year	3,825	4,512
Total	25,502	21,677

Note 10 Financial liabilities

	2026 US$	2025 US$
Creditors for expenses	143	-
Accrued expenses	12,405	13,264
Total	12,548	13,264

Note 11 Non-financial liabilities

	2026 US$	2025 US$
Provision for employees' leave salary and passage	1,359	1,359

Note 12 Share capital

The share capital of the Company AED 100,000 (Equivalent to US$ 27,248) is made up of One fully paid up share of AED 100,000. (See Note 1.4)

Note 13 Voluntary reserve

In accordance with the management decision, 10% of the net profit has been set aside as voluntary reserve which shall remain indivisible until dissolution and liquidation of the Establishment. The appropriation to this reserve has been limited to 50% of the share capital of the Establishment.

Note 14 Going concern

Notwithstanding the fact that the Company lost 70% of its Capital and reports a total equity at the reporting date amounting to USD 8,285, the Company shall continue to carry on its business activities for the foreseeable future as going concern as the management is willing and able to finance the activities of the Company. The said management is committed to support the funding requirements of the Company for the foreseeable future.

Note 15 Revenue

	2026 US$	2025 US$
Income from trading	-	21,001
Income from marketing management	127,500	-
Total	127,500	21,001

Note 16 Cost related to revenue

	2026 US$	2025 US$
Cost of raw materials	-	33,363
Excess in stock	-	(18,808)
Warehousing charges	-	2,145
Customs clearing (inward materials)	-	4,595
Total	-	21,295

Note 17 Administrative and other general expenses

	2026 US$	2025 US$
Payroll and related costs (See 17.1)	101,795	100,785
Office rent	6,987	6,666
Communications	4,749	3,517
Other general expenses (See 17.2)	27,934	28,016
Selling and distribution expenses (See 17.3)	6,243	5,308
Depreciation	-	5,342
Total	147,708	149,634

17.1 Payroll and related costs

	2026 US$	2025 US$
Salary	76,500	75,765
Leave salary	4,250	4,485
Gratuity	3,825	4,512
Visa expense	1,299	1,085
Medical/medical insurance	6,101	2,844
Air passage	1,578	2,012
Annual incentives	8,242	10,082
Total	101,795	100,785

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17.2 Other general expenses

	2026 US$	2025 US$
Vehicle fuel and maintenance	7,155	7,290
Food and beverages	3,043	2,889
Other office expense	1,217	1,702
Legal / professional fees	7,954	9,072
License and registration	7,320	6,210
Bank charges	1,245	853
Total	27,934	28,016

17.3 Selling and distribution expenses

	2026 US$	2025 US$
Local travel expenses	549	483
Freight forward and distribution	-	1,073
Foreign travel and accommodation	5,008	3,752
Sales promotion	686	-
Total	6,243	5,308

Note 18 Other income

	2026 US$	2025 US$
Sales and marketing facilitation - Cumi India	-	127,500
Miscellaneous income	-	41
Bad debt recovery		5,402
Total	-	132,943

Note 19 Comparative figures

Comparative figures shown under the year 2025 represent audited financials for that year. The comparative figures have been reclassified to be comparable with the presentation adopted in these financial statements.

Note 20 Corporate Tax

On 9 December 2022, the UAE Ministry of Finance issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses introducing a federal Corporate Tax ("CT") regime in the United Arab Emirates which shall be effective for financial years beginning on or after 1 June 2023.

Pursuant to Cabinet Decision No. 116 of 2022, taxable income not exceeding AED 375,000 is subject to 0% corporate tax rate, and taxable income exceeding AED 375,000 is subject to tax at 9%.

As the Establishment's financial year ends on 31 March, current tax period of the entity is from 1 April to 31 March 2026. Accordingly, the Establishment is required to file its Corporate Tax return with the relevant authorities on or before 31 December 2026.

Corporate Tax has been accounted for in these financial statements in accordance with the applicable provisions of the UAE Corporate Tax Law.

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20.1 Tax expense

	2026 US$	2025 US$
Accounting (loss)	(20,208)	(16,985)
Relevant adjustment	-	-
Tax (loss)	(20,208)	(16,985)
Corporate tax payable	-	-

As the entity reports net tax loss for the tax period ending 31 March 2026, no tax is to be paid.

The Establishment can carryforward the loss to future periods and set off against future profit.

Since we cannot foresee any immediate profitability, hence, not making any deferred tax asset (DTA) provision in the books.

Note 21 Financial instruments and risk management

The Establishment has exposure to the following risks from use of its financial instruments:

Credit risk
Liquidity risk
Market risk

This note presents information about the Establishment's exposure to each of the above risks, the Establishment's objectives, policies and processes for measuring and managing risk, and the Establishment's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Management has overall responsibility for the Establishment and oversight of the Establishment's risk management framework. The Management is responsible for developing and monitoring the Establishment's risk management policies.

The Establishment's risk management policies are established to identify and analyse the risks faced by the Establishment, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Establishment's activities. The Establishment, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

21.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Credit risk is managed on Establishment basis. Credit risk arises from derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The credit risk on liquid fund is limited because the counter parties are banks with high credit ratings assigned by International Credit Rating Agencies. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

The Establishments's financial assets, which expose the company to credit risk are trade & other receivables, due from related parties and cash & cash equivalents. The management continuously reviews all financial assets in order to assess reliability and risks associated therewith.

The Establishments's bank accounts and investments in bonds and deposits are placed with banks and financial institutions with high credit quality.

In order to mitigate the risk of financial loss from defaults by the customer, the company only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

The maximum exposure to credit risk at the reporting date was:	2026 US$	2025 US$
Financial assets	3,935	5,723
Due from related party	25,000	40,000
Bank current account balances	7,458	9,839
Total	32,458	49,839

21.2 Liquidity risk

Liquidity risk is the risk that the Establishment will not be able to meet its financial obligations as they fall due. The Establishment'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 incurring unacceptable losses or risking damage to the Establishment's business and reputation.

The following are the contractual maturities of financial liabilities of the Establishment at the reporting date:

	Carrying amount US$	Contractual cash flows US$	Less than 1 year US$
Financial liabilities	12,548	12,548	12,548

21.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Establishment's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Establishment's exposure to market risk arises from:

Currency risk

The Establishment is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of Establishment. As on the reporting date the Establishment is not exposed to exchange rate risk on transactions relating to US $.

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Interest rate risk

The Establishment is exposed to interest rate risk when it borrows funds on floating interest rate. The Establishment do not have any interest bearing borrowing at the reporting date.

Note 22 Approval of financial statements

These financial statements were approved by the board of directors and authorised for issue on 15 April, 2026.