

INDO COUNT GLOBAL DMCC

**FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2026**

INDO COUNT GLOBAL DMCC

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT YEAR ENDED 31 MARCH 2026

CONTENTS	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
STATEMENT OF CHANGES IN EQUITY	6
STATEMENT OF CASH FLOWS	7
NOTES TO THE FINANCIAL STATEMENTS	8 – 32

INDEPENDENT AUDITOR'S REPORT**To the Shareholder of INDO COUNT GLOBAL DMCC****Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of **INDO COUNT GLOBAL DMCC** (the "Company"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates (UAE), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and the applicable provisions of Dubai Multi Commodities Centre Authority Regulations 2024, 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.

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INDEPENDENT AUDITOR'S REPORT

(continued)

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 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 audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT

(continued)

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

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

Report on Other Legal and Regulatory Requirements

As required by the applicable provisions of Dubai Multi Commodities Centre Authority Regulations 2024, we report that:

- the financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB;
- the financial statements give a true and fair view of the profit or loss of the Company for the financial year;
- the financial statements give a true and fair view of the state of the Company's affairs at the end of the financial year; and
- the Company has undertaken only the activities permitted under its license.

For PKF – Chartered Accountants (Dubai Br)

**Saranga Lalwani**

Partner

Registration No. 5468

Dubai

United Arab Emirates

**20 MAY 2026**

INDO COUNT GLOBAL DMCC

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

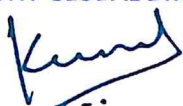
	Notes	2026 AED	2025 AED
ASSETS			
Non-current asset			
Property, plant and equipment	6	2,949,123	4,487,930
Intangible assets	7	73,443	--
		<u>3,022,566</u>	<u>4,487,930</u>
Current assets			
Inventories	8	126,948	73,660
Trade and other receivables	9	137,015	320,036
Other current assets	10	78,770	--
Cash and cash equivalents	11	1,426,675	1,497,497
		<u>1,769,408</u>	<u>1,891,193</u>
Total assets		<u>4,791,974</u>	<u>6,379,123</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	2,750,000	2,750,000
Retained earnings		252,421	646,397
		<u>3,002,421</u>	<u>3,396,397</u>
Non-current liabilities			
Lease liabilities	13	--	1,386,812
Provision for staff end-of-service benefits	14	61,806	42,160
		<u>61,806</u>	<u>1,428,972</u>
Current liabilities			
Trade and other payables	15	211,520	31,482
Other current liabilities	16	129,415	242,071
Lease liabilities	13	1,386,812	1,280,201
		<u>1,727,747</u>	<u>1,553,754</u>
Total liabilities		<u>1,789,553</u>	<u>2,982,726</u>
Total equity and liabilities		<u>4,791,974</u>	<u>6,379,123</u>

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Approved and authorised for issue by the shareholder and signed by the director,
Mr. Kunal Haresh Bilakhia on **20 MAY 2026**

For **INDO COUNT GLOBAL DMCC**



KUNAL HARESH BILAKHIA
DIRECTOR



INDO COUNT GLOBAL DMCC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 AED	2025 AED
Revenue	19	3,658,698	8,231,010
Cost of goods sold	20	(990,627)	(5,519,547)
Selling and distribution expenses	21	(175,217)	(115,504)
Other income	22	--	3,777
Administrative expenses	23	(2,667,031)	(2,366,845)
Finance costs on lease liability	13	(219,799)	(4,088)
(LOSS)/PROFIT FOR THE YEAR BEFORE TAX		(393,976)	228,803
Income tax	25	--	--
(LOSS) /PROFIT FOR THE YEAR AFTER TAX		(393,976)	228,803
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(393,976)	228,803

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

The report of the independent auditor is set forth on pages 1 to 3.



INDO COUNT GLOBAL DMCC

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Share capital AED	Retained earnings AED	Total AED
Balance at 1 April 2024	2,750,000	417,594	3,167,594
Total comprehensive income for the year	--	228,803	228,803
Balance at 31 March 2025	2,750,000	646,397	3,396,397
Total comprehensive income for the year	--	(393,976)	(393,976)
Balance at 31 March 2026	<u>2,750,000</u>	<u>252,421</u>	<u>3,002,421</u>

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

The report of the independent auditor is set forth on pages 1 to 3.



INDO COUNT GLOBAL DMCC

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
(Loss)/profit for the year before tax	(393,976)	228,803
Adjustments for:		
Depreciation of property, plant and equipment	1,660,742	1,443,823
Amortisation of intangible asset	1,670	--
Finance costs on lease liability	219,799	4,088
Provision for staff end-of-service benefits	19,646	19,646
	<u>1,507,881</u>	<u>1,696,360</u>
Changes in:		
- Inventories	(53,288)	(10,512)
- Trade and other receivables	183,021	(81,145)
- Other current assets	(78,770)	--
- Trade and other payables	180,038	(62,462)
- Other current liabilities	(112,656)	(941,130)
Net cash from operating activities	<u>1,626,226</u>	<u>601,111</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(121,935)	--
Payments for intangible asset	(75,113)	--
Net cash used in investing activities	<u>(197,048)</u>	<u>--</u>
Cash flows from financing activity		
Payments of lease liabilities	(1,500,000)	(1,500,000)
Net cash used in financing activity	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Net decrease in cash and cash equivalents	(70,822)	(898,889)
Cash and cash equivalents at beginning of year	1,497,497	2,396,386
Cash and cash equivalents at end of year (note 11)	<u>1,426,675</u>	<u>1,497,497</u>

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

The report of the independent auditor is set forth on pages 1 to 3.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. REPORTING ENTITY

- a) **INDO COUNT GLOBAL DMCC** (the "Company") is a limited liability company registered in Dubai, United Arab Emirates, in accordance with the provisions of Dubai Multi Commodities Centre Company Regulation No. 1 of 2013 (repealed by Dubai Multi Commodities Centre Authority Regulations 2020 and further repealed by Dubai Multi Commodities Centre Authority Regulation 2024). The registered address is unit no. 2105, Platinum Tower, plot No. JLT-PH1-I2, Jumeirah Lakes Towers, Dubai, UAE. The Company was registered on 23 November 2017.
- b) The Company is licensed by DMCCA (trade license No. DMCC- 361213) to trade in textiles, threads and yarns, curtains and upholstery fabrics, cotton and natural fibers, blankets, towels, linens, spinning and weaving equipment and spare parts. The Company has also obtained a service license (license No. DMCC- 825871) to provide marketing management services.
- c) The parent and ultimate parent company is M/s. Indo Count Industries Limited, India listed on Bombay Stock Exchange and National Stock Exchange of India.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and which are effective for current accounting periods and the requirements of the applicable provisions of Dubai Multi Commodities Centre Authority Regulations 2024.

b) Basis of measurement

The financial statements are prepared using historical cost. Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

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.

c) Going concern

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of the Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

d) **Adoption of new International Financial Reporting Standards**

Standards, amendments, improvements and interpretations effective for the current period

The following amendments which became effective for current period, did not have any significant impact on the Company's financial statements:

- Amendments to IAS 21 – Lack of Exchangeability

New and revised standards in issue but not yet effective and not early adopted

The following *standards*, amendments, improvements and interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorised for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 January 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 January 2026)
- Annual Improvements to IFRS Accounting Standards—Volume 11 (1 January 2026)
- IFRS 18 *Presentation and Disclosures in Financial Statements* (1 January 2027)
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (1 January 2027)

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

3. **MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted, and which have been consistently applied, are as follows:

a) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated from the date the asset is available for use until it is derecognised, using the straight-line method over the estimated useful lives of the assets as follows:

Furniture, fixtures and office equipment	3 - 5 years
Right-of-use assets	3 years



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Company has presented right-of-use assets representing the right to use the underlying assets under property, plant and equipment [Refer notes 3 (g) and 6].

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 Company and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

An assessment of depreciation method, useful lives and residual values is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'other operating income/expenses' in profit or loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. The cost of patents and trademarks are amortised using the straight-line method over its estimated useful life of 15 years.

An assessment of amortisation method and useful lives is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the amortisation charge.

c) Impairment of tangible and intangible assets

At each reporting date, the management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. Where it is not possible to estimate the recoverable amount of an individual asset, the acquirer estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

d) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is arrived at using the Weighted Average Cost (WAC) method and comprises invoice value plus applicable landing charges less discounts. Net realisable value is based on estimated selling prices less any estimated cost of completion and disposal.

e) Staff benefits

The Company provides staff end-of-service benefits to its non-UAE national employees as per the applicable local laws. The entitlement to these benefits is based on the employees' last drawn basic salary and length of services which is accrued over the period of employment. Provision for staff end-of-service benefits is disclosed as non-current liability.

Provision is also made for employees' entitlement to annual leave for eligible employees as per the policy of the Company. Provision relating to annual leave salary is disclosed as current liability as employees are entitled to redeem these benefits at any point of time after the reporting period.

f) Revenue recognition

The Company trades in textiles, threads and yarns, curtains and upholstery fabrics, cotton and natural fibers, blankets, towels, linens, spinning and weaving equipment and spare parts. The Company also provides marketing management services to its parent company. Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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 with a customer 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 Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

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

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

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

Sale of services

The Company provides services that are sold separately. The Company has concluded that revenue from sale of services should be recognised over time.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Sales of goods

The Company has concluded that revenue from sale of goods should be recognized at a point in time when the control of the asset is transferred to the customer, generally on delivery of the goods.

g) **Leases**

The Company leases office premises and staff accommodation. Rental contracts are made for fixed period of 3 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

Right-of-use assets

The Company recognises right-of-use assets at the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any reimbursement of lease liabilities. The cost of right-of-use assets includes:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial costs; and
- restoration costs.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

The Company recognises lease liabilities at the commencement date of the lease. The lease liabilities are measured at the net present value of lease payments to be made over the lease term. The lease payments include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Company; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The Company uses its incremental borrowing rate as the discount rate in calculating the present value of lease payments and uses the incremental borrowing rate at the commencement date of the lease if the profit rate implicit in the lease is not readily determinable. Further, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

h) **Cash and cash equivalents**

Cash and cash equivalents comprise of bank balances in current accounts and call deposit accounts.

i) **Foreign currency transactions**

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

j) **Provisions**

General

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits 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 reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, it's 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, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

k) Value added tax

As per the Federal Decree-Law No. (08) of 2017 and its amendments, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person.

The Company pays Value Added Tax (VAT) on every taxable supply and deemed supply, in accordance with the Federal Decree-Law No. (08) of 2017. Non-recoverable input VAT is charged to the relevant expenditure category or included in costs of non-current assets. The Company files its VAT returns and computes the payable tax (which is output tax less input tax) for the allotted tax periods and deposits the same within the prescribed due dates of filing VAT return and tax payment. VAT receivable and VAT payable are offset and the net amount is reported in the statement of financial position as the Company has a legally enforceable right to offset the recognised amounts and has the intention to settle the same on net basis.

l) Income and deferred tax

Tax expense for the year comprises of current income tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the federal tax authorities on the taxable profits after considering tax disallowances, exemptions and reliefs after applying the applicable tax rates. Deferred tax is recognised on the temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for non-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

m) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- 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.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- The entity does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

n) **Financial instruments**

Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; debt investment at fair value through other comprehensive income, equity investment at fair value through other comprehensive income; or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial assets' contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding. This assessment is performed at an instrumental 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 cashflows, selling the financial assets, or both.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Recognition

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

Derecognition

Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are de-recognised when, and only when, they are extinguished i.e., when obligation specified in the contract is discharged, cancelled or expired.

Measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

Financial assets at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method.

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

All other financial assets are subsequently measured at fair value.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The financial assets at amortised cost comprise of trade and other receivables and cash and cash equivalents.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost comprise of trade and other payables and lease liabilities.

Impairment of financial assets

The Company recognised 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. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loss allowances are measured on either of the following basis:

- 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances and other receivables for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Company has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs. The Company applies a simplified approach in calculating expected credit losses. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Company considers a financial asset to be in default when:

- The customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset. For financial assets carried at FVTOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Offsetting

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.

Equity

Equity instruments issued by the Company are recorded at the value of proceeds received towards interest in share capital of the Company.

o) Contingencies and commitments

Contingent liabilities are not recognised in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.



p) **Fair value measurement**

The Company discloses the fair value of financial instruments measured at amortised cost.

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

The 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.

4. **JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**

Following are the judgments made in applying accounting policies that affect the application of the Company's accounting policies and the amounts recognised in the financial statements:

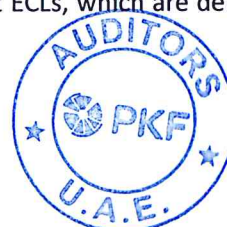
Classification of financial assets

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.

Impairment

At each reporting date, management conducts an assessment of property, plant and equipment and intangible assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

The Company applies expected credit loss (ECL) model to measure loss allowance in case of financial assets on the basis of 12-month ECLs or Lifetime ECLs depending on credit risk characteristics and how changes in economic factors affect ECLs, which are determined on a probability-weighted basis.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Recognition of revenue and allocation of transaction price

Identification of performance obligations

The Company determined that the sale of goods and marketing services is provided as a single component to customers and accordingly it becomes single performance obligation in respect of the goods being sold and services being rendered.

Determine timing of satisfaction of performance obligation

The Company concluded that the revenue from sales of goods is to be recognised at a point in time when the control of the goods has transferred to the customers. Payment of the transaction price is due immediately at the point the customer purchases the goods.

The Company concluded that revenue from marketing services is to be recognised over time as the customer simultaneously receives the benefit as the company performs.

Leases

Determining the lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. The Company considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

Discounting of lease payments

The lease payments are discounted using the Company's incremental borrowing rate ("IBR"), which is equivalent to 8.00%, due to the absence of implicit rates in the lease contracts.

Management has applied judgments and estimates to determine the IBR at the transition date, using borrowing rates that certain financial institutions would charge the Company against financing the different types of assets it leases over different terms and different ranges of values. IBR is further adjusted for Company's specific risk, term risk and underlying asset risk. Majority of the leases are present in the UAE and accordingly no adjustment for the economic environment was deemed required.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Following are the key assumptions made 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management. Revisions to estimates are recognised prospectively.

Carrying values of property, plant and equipment

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Impairment

Assessments of net recoverable amounts of property, plant and equipment and intangible assets are based on assumptions regarding future cash flows expected to be received from the related assets.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of key assumptions and inputs used are disclosed in note 3(m).

Inventory provisions

Management regularly undertakes a review of the Company's inventory, stated at AED 126,948 (previous year AED 73,660) in order to assess the likely realisation proceeds, taking into account purchase and replacement prices, technological changes, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Staff end-of-service benefits

The Company computes the provision for the liability to staff end-of-service benefits stated at AED 61,806 (previous year AED 42,160). The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Income Tax

Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.

6. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets ^(a)	Furniture, fixtures and office equipment	Total
	AED	AED	AED
Cost			
At 1 April 2024	2,297,309	1,049,614	3,346,923
Lease modification	4,162,925	--	4,162,925
At 31 March 2025	6,460,234	1,049,614	7,509,848
Additions	--	121,935	121,935
At 31 March 2026	6,460,234	1,171,549	7,631,783
Accumulated depreciation			
At 1 April 2024	1,161,106	416,989	1,578,095
Depreciation	1,162,626	281,197	1,443,823
At 31 March 2025	2,323,732	698,186	3,021,918
Depreciation	1,377,579	283,163	1,660,742
At 31 March 2026	3,701,311	981,349	4,682,660
Carrying amount			
At 1 April 2024	1,136,203	632,625	1,768,828
At 31 March 2025	4,136,502	351,428	4,487,930
At 31 March 2026	2,758,923	190,200	2,949,123

- a) These represent leasehold interest in staff accommodation, the lease period being 3 years with renewable option.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

7. INTANGIBLE ASSETS

	Patents AED
Cost	
As at 1 April 2024 and 31 March 2025	--
Addition	75,113
At 31 March 2026	<u>75,113</u>
Accumulated amortisation	
As at 1 April 2024 and 31 March 2025	--
Amortisation	1,670
At 31 March 2026	<u>1,670</u>
Carrying amount	
As at 1 April 2024 and 31 March 2025	--
At 31 March 2026	<u>73,443</u>

	2026 AED	2025 AED
8. INVENTORIES		
Goods held-for-sale	<u>126,948</u>	<u>73,660</u>

An age analysis of inventories as at the reporting date is as follows:

0 - 180 days	110,279	43,313
180 - 365 days	8,954	22,882
over 365 days	7,715	7,465
	<u>126,948</u>	<u>73,660</u>

9. TRADE AND OTHER RECEIVABLES

Trade receivables	32,406	219,721
Deposits	92,815	92,815
Other receivables	11,794	7,500
	<u>137,015</u>	<u>320,036</u>

Trade receivables of AED 32,406 (previous year AED 219,721) are not past due and not impaired.

The Company does not hold any collateral against trade receivables (previous year AED Nil).

10. OTHER CURRENT ASSETS

Prepayments	75,000	--
Advance for goods and services	3,770	--
	<u>78,770</u>	<u>--</u>



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
11. CASH AND CASH EQUIVALENTS		
Bank balances in:		
- Current account	46,981	146,338
- Call deposit accounts	1,379,694	1,351,159
	<u>1,426,675</u>	<u>1,497,497</u>

Balances with banks are assessed to have low credit risk of default since these banks are regulated by the Central Bank of UAE. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

12. SHARE CAPITAL		
Issued and paid up:		
2,750 shares of AED 1,000 each held by M/s. Indo Count Industries Limited, India	<u>2,750,000</u>	<u>2,750,000</u>
13. LEASE LIABILITIES		
Lease liabilities for long-term lease of staff accommodation	<u>1,386,812</u>	<u>2,667,013</u>

Disclosed in the statement of financial position as follows:

Non - current liabilities	--	1,386,812
Current liabilities	<u>1,386,812</u>	<u>1,280,201</u>
	<u>1,386,812</u>	<u>2,667,013</u>

A reconciliation of the movements in the lease liabilities is as follows:

Opening balance	2,667,013	--
Lease modification	--	4,162,925
Finance costs	219,799	4,088
Payments made during the year	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Closing balance	<u>1,386,812</u>	<u>2,667,013</u>



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
A maturity analysis of undiscounted lease liabilities is as follows:		
3 – 12 months	1,500,000	1,500,000
More than 12 months	--	1,500,000
	<u>1,500,000</u>	<u>3,000,000</u>
Reconciliation of undiscounted lease liabilities to the lease liabilities as stated in the statement of financial position is as follows:		
Lease payments due	1,500,000	3,000,000
Less: Finance cost on leases	(113,188)	(332,987)
Disclosed in the statement of financial position	<u>1,386,812</u>	<u>2,667,013</u>
14. PROVISION FOR STAFF END-OF-SERVICE BENEFITS		
Opening balance	42,160	22,514
Provision for the year	19,646	19,646
Closing balance	<u>61,806</u>	<u>42,160</u>
15. TRADE AND OTHER PAYABLES		
Trade payables	80,512	--
Provision for expenses	68,278	31,350
Other payables	62,730	132
	<u>211,520</u>	<u>31,482</u>
16. OTHER CURRENT LIABILITIES		
Advance for goods	20,056	156,697
VAT payable (net)	21,066	25,146
Employee related payables	88,293	60,228
	<u>129,415</u>	<u>242,071</u>

17. RELATED PARTIES

The Company enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and are at prices determined by the management.

Related parties comprise the parent company and directors.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

At the reporting date, significant balances with related parties are as follows:

	2026 AED	2025 AED
Parent company		
Trade receivables	--	192,938
Directors		
Payable for reimbursement of expenses	33,330	--
Professional fees payable	29,400	--
Provision for staff end-of-service benefits	36,154	22,605

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 26.

Significant transactions with related parties during the year are as follows:

Parent company		
Revenue	2,403,447	2,205,000
Purchases	1,043,915	5,479,941
Reimbursement for patent	75,113	--
Directors		
Staff salaries and benefits	240,000	240,000
Staff end-of-service benefits	13,548	13,548
Professional fees	29,400	29,400

18. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to ensure that the Company continues as a going concern and to provide the shareholder with a rate of return on their investment commensurate with the level of risk assumed.

Capital, which is unchanged from the previous year, comprises equity funds as presented in the statement of financial position. Debt comprises total amounts owed by the Company, net of cash and cash equivalents.

The Company is subject to externally imposed capital requirements as per provisions of Dubai Multi Commodities Centre Regulations 2024. The Company has complied with all the capital requirements to which it is subject.

Funds generated from internal accruals are retained in the business, according to the business requirements and to maintain capital at desired levels.

19. REVENUE

The Company generates revenue from the transfer of goods and services over time and at a point in time. The disaggregated revenue from contracts with customers by geographical segments, type of goods and service and timing of revenue recognition is presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Company's revenue and cash flows.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Primary Geographical segments		
- Asian Countries	3,086,393	7,582,678
- United Arab Emirates	572,305	648,332
	<u>3,658,698</u>	<u>8,231,010</u>
Major goods/service lines		
<i>Goods</i>		
- Textile, threads, yarns, Curtains, Upholstery fabrics, Cotton, and natural fabrics	1,255,252	6,026,010
<i>Services</i>		
- Marketing management services	2,403,446	2,205,000
	<u>3,658,698</u>	<u>8,231,010</u>
Timing of revenue recognition		
- At a point in time	1,255,252	6,026,010
- Over time	2,403,446	2,205,000
	<u>3,658,698</u>	<u>8,231,010</u>
20. COST OF GOODS SOLD		
Purchases of inventories	1,043,915	5,530,059
Changes in inventories	(53,288)	(10,512)
	<u>990,627</u>	<u>5,519,547</u>
21. SELLING AND DISTRIBUTION EXPENSES		
Sales commission and fulfilment expenses	83,822	57,924
Delivery charges	20,650	40,567
Campaign charges	60,773	17,013
Other expenses	9,972	--
	<u>175,217</u>	<u>115,504</u>
22. OTHER INCOME		
Foreign exchange gain	--	3,777
23. ADMINISTRATIVE EXPENSES		
Staff salaries and benefits	380,865	380,865
Staff end-of-service benefits	19,646	19,646
Depreciation and amortisation (note 24)	1,662,412	1,443,823
Short-term lease expenses	138,250	118,250
Utility expenses	114,600	105,881
Professional fees	91,970	98,300
Travel expenses	198,644	131,717
Foreign exchange losses (net)	14,282	--
Other expenses	46,362	68,363
	<u>2,667,031</u>	<u>2,366,845</u>



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
24. DEPRECIATION AND AMORTISATION		
Depreciation of property, plant and equipment (note 6) ^{a)}	1,660,742	1,443,823
Amortisation of intangible assets (note 7)	1,670	--
	<u>1,662,412</u>	<u>1,443,823</u>

a) Includes depreciation on Right-of-Use asset of AED 1,377,579 (previous year AED 1,162,626).

25. CORPORATE TAX

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the 'CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law is effective for the financial years beginning on or after 1 June 2023.

UAE CT law specifies that a tax rate of 9% will apply to taxable income exceeding AED 375,000 and a rate of 0% will apply to taxable income not exceeding AED 375,000.

During the year, as the Company has had loss, no tax expense has been recorded. Furthermore, given the expectation that future taxable profits will not exceed the threshold, no deferred tax asset has been recognized.

26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Classification and fair values

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

	At amortised cost	
	2026 AED	2025 AED
Financial assets		
Trade and other receivables	137,015	320,036
Cash and cash equivalents	1,426,675	1,497,497
	<u>1,563,690</u>	<u>1,817,533</u>
Financial liabilities		
Trade and other payables	211,520	31,482
Lease liabilities	1,386,812	2,667,013
	<u>1,598,332</u>	<u>2,698,495</u>



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Fair value measurement and disclosures

The management assesses the fair values of all its financial assets and financial liabilities at each reporting date.

The fair values of cash and cash equivalents, trade and other receivables, current lease liabilities and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to determine the fair values of other financial liabilities:

Fair values of non-current lease liabilities is estimated by discounting future cash flows using rates currently available for debts on similar items, credit risk and remaining maturities. As at the reporting date, the carrying amounts of such liabilities, are not materially different from their fair values.

Financial risk management

Risk management objectives

Risk is inherent in the Company's activities but is managed through a process of ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company's risk management focusses on actively securing short to medium term cash flows by minimizing the exposure to financial markets.

The primary risks to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

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 by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Financial assets that potentially expose the Company to concentrations of credit risk comprise principally cash and cash equivalents and trade and other receivables.

The Company's bank accounts are placed with high credit quality financial institutions and hence, have low credit risks.



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The management assesses the credit risk arising from trade and other receivables taking into account their financial position, past experience and other factors. Based on the assessment individual risk limits are determined.

At the reporting date, the Company's maximum exposure to credit risk from such receivables situated outside the UAE is as follows:

	2026 AED	2025 AED
India	--	192,938

At reporting date, 90% of the trade receivables is due from one customer located in UAE engaged in retail business (previous year 88% was due from parent company which is engaged in similar business).

The Company uses an allowance matrix to measure the expected credit losses of trade receivables, which comprise number of balances. Loss rates are calculated using a 'flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Flow rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region and, age of customer relationship.

Based on the assessment, the management believes that no impairment provision is required under IFRS 9.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, 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 Company's reputation. The Company manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company limits its liquidity risk by ensuring adequate bank facilities are available.

The table below summarises the maturities of the Company's undiscounted financial liabilities at the reporting date, based on contractual payment dates and current market interest rates.

	Less than one year		One to five years		Total	
	2026 AED	2025 AED	2026 AED	2025 AED	2026 AED	2025 AED
Trade and other payables	211,520	31,482	--	--	211,520	31,482
Lease liabilities	1,500,000	1,500,000	--	1,500,000	1,500,000	3,000,000



INDO COUNT GLOBAL DMCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Market risk

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

Currency risk

Currency risk is the risk that the values of financial instruments will fluctuate because of changes in foreign exchange rates.

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates.

The Company is not exposed to any significant interest risk.

27. SIGNIFICANT EVENTS - CURRENT ONGOING CONFLICT IN THE WEST ASIA REGION

The ongoing geopolitical conflict in the West Asia Region have introduced a degree of uncertainty in the Global and regional environment. The United Arab Emirates may experience indirect impacts arising from these developments. The Company has assessed the potential implications of the situation on its operations and financial performance as at the reporting date.

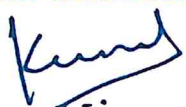
Potential risk that may arise include fluctuations in oil prices, disruptions to supply chain, increased transportation/insurance cost which could have an impact on the Company's operations in the future periods.

While there is no material direct impact on the Company's financial statements for the current reporting period, the management continues to closely monitor the situations on the Company's operations.

28. COMPARATIVE INFORMATION

Previous year's figures have been regrouped/reclassified wherever necessary to make them comparable to those of the current period.

For INDO COUNT GLOBAL DMCC



KUNAL HARESH BILAKHIA
DIRECTOR

