Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Auditor's Report and Separate Financial Statements
For the year ended March 31, 2026

Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

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James

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Ref: JM/AR/2026/26545

Independent Auditor's Report

To,

The Shareholder
M/s. Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the accompanying separate financial statements of **M/s. Concord Enviro (FZE)** (the "Entity") which comprise the separate statement of financial position as at March 31, 2026 and the separate statements of profit or loss and other comprehensive income, changes in equity, cash flows for the year then ended and notes to the separate financial statements, including a summary of material accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Entity as at March 31, 2026 and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the requirements of applicable provisions of the Sharjah Emiri Decree No. 2/1995 Regarding the Establishment of a Free Zone at Sharjah International Airport and the Sharjah Airport International Free Zone Authority and for such internal control as management determines is necessary to enable the preparation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Entity's financial reporting process.

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Independent Auditor's Report to the Shareholder of Concord Enviro (FZE) (continued)

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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 Entity'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 Entity'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 separate 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Further, as required by the Sharjah Emiri Decree No. 2/1995 Regarding the Establishment of a Free Zone at Sharjah International Airport and the Sharjah Airport International Free Zone Authority, we confirm that:

1 We have obtained all the information and explanations which we consider necessary for our audit.

2 The separate financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Sharjah Emiri Decree No. 2/1995 Regarding the Establishment of a Free Zone at Sharjah International Airport and the Sharjah Airport International Free Zone Authority, and the Memorandum and Articles of Association of the Entity.

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Independent Auditor's Report to the Shareholder of Concord Enviro (FZE) (continued)

Report on Other Legal and Regulatory Requirements (continued)

3 Proper books of accounts have been maintained by the Entity.

4 Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial year ended March 31, 2026 any of the applicable provisions of the Sharjah Emiri Decree No. 2/1995 Regarding the Establishment of a Free Zone at Sharjah International Airport and the Sharjah Airport International Free Zone Authority or the Memorandum and Articles of Association of the Entity, which would materially affect its activities or its separate financial position as at March 31, 2026.

For UHY James Chartered Accountants LLC

James Mathew FCA, CPA
Managing Partner
Reg. No. 548
May 20, 2026
Dubai - United Arab Emirates

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Financial Position as at March 31, 2026
(In Arab Emirates Dirham)

	Notes	2026	2025
Assets			
Non-current assets			
Property, plant and equipment	6	**15,404,620**	16,910,190
Intangible assets	7	**12,785,145**	13,095,964
Investment in subsidiaries	8	**2,394,813**	2,389,980
Investment in joint ventures	9	**19,293,524**	17,013,636
Investments	10	**1,835,000**	1,835,000
Other financial assets	11	**180,082**	148,680
Total non-current assets		**51,893,184**	51,393,450
Current assets			
Inventories	12	**23,614,228**	24,638,706
Accounts receivable	13	**37,406,809**	25,974,840
Contract assets	14	**12,057,690**	27,473,406
Cash and bank balances	15	**483,181**	1,851,479
Other bank deposits	16	**2,789,788**	1,005,905
Advances, prepayments and other receivables	17	**7,793,448**	7,044,770
Other financial assets - current	18	**6,035**	586,799
Loan to a related party	26	**32,620,248**	13,626,153
Total current assets		**116,771,427**	102,202,058
Total assets		**168,664,611**	153,595,508
Equity and liabilities			
Equity			
Share capital	19	**3,600,000**	300,000
Share premium	20	**28,322,272**	22,577,273
Retained earnings	21	**98,477,616**	87,708,212
Total equity		**130,399,888**	110,585,485
Non-current liabilities			
Term loan	23	**1,404,250**	3,003,250
Employees' end of service benefits	24	**496,226**	475,780
Total non-current liabilities		**1,900,476**	3,479,030
Current liabilities			
Bank borrowings	22	**16,080,688**	12,170,667
Term loan	23	**1,599,000**	1,701,500
Employees' end of service benefits	24	**133,674**	126,603
Accounts and other payables	25	**15,943,571**	25,532,223
Loan from related parties	26	**2,607,314**	-
Total current liabilities		**36,364,247**	39,530,993
Total liabilities		**38,264,723**	43,010,023
Total equity and liabilities		**168,664,611**	153,595,508

The accompanying notes from page 9 to 35 form an integral part of these separate financial statements.
The report of the auditor is set out on pages 1 to 3.
The separate financial statements on pages 4 to 35 were approved on May 20, 2026 and signed on behalf of the Entity, by:

Mr. Ashish Singal
Manager

كونكورد اينفيرو (م.م.ح)
P.O. Box: 120940
Sharjah - U.A.E.
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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Profit or Loss and Other Comprehensive Income for the year ended March 31, 2026
(In Arab Emirates Dirham)

	Notes	2026	2025
Revenue	27	**59,661,425**	99,717,959
Other income	28	**6,984,846**	10,116,661
Total income		**66,646,271**	109,834,620
Expenses			
Cost of raw material consumed	28 (i)	**(36,638,125)**	(62,762,867)
Service charges	28 (ii)	**(265,136)**	(1,337,984)
(Decrease)/increase in inventories of finished goods	28 (iii)	**(1,297,506)**	1,009,915
Employee benefits expenses	29	**(5,020,923)**	(4,396,243)
Finance costs	30	**(1,733,965)**	(2,961,664)
Depreciation and amortisation expense	31	**(3,174,993)**	(1,365,618)
Other expenses	32	**(7,756,673)**	(16,854,208)
Total expenses		**(55,887,321)**	(88,668,669)
Profit for the year		**10,758,950**	21,165,951
Other comprehensive income			
Items that may subsequently be reclassified to the income statement			
Re-measurement gains on defined benefit plans		**10,454**	2,888
Total comprehensive income for the year		**10,769,404**	21,168,839

The accompanying notes from page 9 to 35 form an integral part of these separate financial statements.

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

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Changes in Equity for the year ended March 31, 2026
(In Arab Emirates Dirham)

	Share capital	Share premium	Retained earnings	Total equity
Balance as at April 01, 2024	150,000	-	66,539,373	66,689,373
Additional capital introduced	150,000	-	-	150,000
Share premium received	-	22,577,273	-	22,577,273
Profit for the year	-	-	21,168,839	21,168,839
Balance as at March 31, 2025	300,000	22,577,273	87,708,212	110,585,485
Additional capital introduced	**3,300,000**	-	-	**3,300,000**
Share premium received	-	**5,744,999**	-	**5,744,999**
Profit for the year	-	-	**10,769,404**	**10,769,404**
Balance as at March 31, 2026	**3,600,000**	**28,322,272**	**98,477,616**	**130,399,888**

The accompanying notes from page 9 to 35 form an integral part of these separate financial statements.

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

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
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Separate Statement of Cash Flows for the year ended March 31, 2026
(In Arab Emirates Dirham)

	2026	2025
Cash flows from operating activities		
Profit for the year	**10,769,404**	21,168,839
Adjustments for:		
Depreciation on property, plant and equipment	**2,803,340**	1,021,436
Amortisation of intangible assets	**371,653**	344,182
Allowance of allowance for expected credit loss	-	41,565
Bad debts written off	**2,460**	20,336
Finance costs	**1,733,965**	2,961,664
Employees' end of service benefits	**27,517**	509,673
Interest income	**(2,418,348)**	(337,056)
Liabilities written back	**(51,915)**	(238,995)
Operating profit before changes in operating assets and liabilities	**13,238,076**	25,491,644
(Increase)/decrease in current assets		
Inventories	**1,024,478**	(3,467,412)
Accounts receivable	**(11,434,429)**	6,776,203
Contract assets	**15,415,716**	(19,111,419)
Advances, prepayments and other receivables	**(748,678)**	2,637,686
Other financial assets	**580,764**	(33,596)
(Increase)/decrease in non-current assets		
Other financial assets	**(31,402)**	(36,812)
Other non-current assets	-	1,835,000
Increase/(decrease) in current liability		
Accounts and other payables	**(9,536,737)**	3,772,305
Cash generated from operations	**8,507,788**	17,863,599
Employees' end of services benefits paid	-	(37,409)
Net cash from operating activities	**8,507,788**	17,826,190
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(1,297,770)**	(12,483,557)
Intangible assets under development	**(60,834)**	(1,414,169)
Increase in other bank deposits	**(1,783,883)**	1,082,248
Derecognition of right-of-use assets	-	-
Acquisition of intangible assets	-	(17,456)
Investment in subsidiaries	**(4,833)**	-
Investment in joint ventures	**(2,279,888)**	(1,584,057)
Investments	-	(1,835,000)
Net cash (used in) investing activities	**(5,427,208)**	(16,251,991)

(continued)

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Cash Flows for the year ended March 31, 2026
(In Arab Emirates Dirham)

		2026	2025
Cash flows from financing activities			
Share capital introduced		**3,300,000**	150,000
Share premium introduced		**5,744,999**	22,577,273
Proceeds/(repayment) of secured borrowings		**3,452,055**	(12,415,099)
Loan to related party		**(18,994,095)**	(13,626,153)
Proceeds from term loan		**(1,701,500)**	4,704,750
Proceeds from loan from related parties		**2,607,314**	-
Interest received		**2,418,348**	337,056
Finance costs paid		**(1,733,965)**	(2,961,664)
Net cash (used in) financing activities		**(4,906,844)**	(1,233,837)
Net (decrease)/increase in cash and cash equivalents		**(1,826,264)**	340,362
Cash and cash equivalents at the beginning of the year		**1,851,479**	1,511,117
Cash and cash equivalents at the end of the year		**25,215**	1,851,479
Cash and cash equivalents			
Cash on hand	Note 15	**3,401**	2,341
Cash at banks	Note 15	**479,780**	1,849,138
Bank overdrafts	Note 22(a)	**(457,966)**	-
		25,215	1,851,479

The accompanying notes from page 9 to 35 form an integral part of these separate financial statements.

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

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1 Legal status and business activities

1.1 **M/s. Concord Enviro (FZE)**, Sharjah Airport International Free Zone, Sharjah - United Arab Emirates (the "Entity") was registered on November 25, 2009 as a Free Zone Establishment with Limited Liability and operates in the United Arab Emirates under Commercial license no. 07601 and Industrial license no. 14072 issued by Sharjah Airport International Free Zone, Government of Sharjah, Sharjah - United Arab Emirates.

1.2 The Entity is licensed to engage in activities of manufacturing, assembling, testing of water filter plants and trading in water treatment products and related items.

1.3 The registered address of the Entity is located at 600, M2 Warehouse, P6-037, P.O Box: 120940, Sharjah - United Arab Emirates.

1.4 The management and control of the Entity are vested with the Manager, Mr. Ashish Singal (Indian national).

1.5 During the year, vide addendum to the Memorandum and Articles of Association dated October 29, 2025 the share capital of the Entity has increased (note 19).

1.6 During the reporting date, the geopolitical tensions in some parts of the Middle East has emerged which may have potential future impact on business operations and financial stability. Given the evolving nature of these events, it is not possible for the management to assess the potential financial impact, if any, on its business operations. The management will continue to monitor these events and assess their potential impact on the business.

2 New standards and amendments

2.1 New standards and amendments applicable as on April 01, 2025

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after April 01, 2025.

- Amendments to IAS 21 - Lack of Exchangeability

The management believes that the adoption of the above amendments effective for the current accounting period has not had any material impact on the recognition, measurement, presentation and disclosure of items in the separate financial statements.

2.2 New standards and amendments issued but not effective for the current annual period

The following standards and interpretations had been issued but not yet mandatory for annual reporting periods ending March 31, 2026.

- Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments.
- Amendments to IFRS 9 and IFRS 7 - Contracts referencing nature-dependent electricity
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Annual improvements to IFRS Accounting Standards - Volume 11

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

3 Statement of compliance

The separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and applicable U.A.E. laws. These separate financial statements are presented in Arab Emirates Dirham (AED) which is the Entity's functional and presentation currency.

4 Basis of preparation

The separate financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values, as explained in the accounting policies as follows.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal accounting policies applied in these separate financial statements are set out as follows.

5 Material accounting policies

5.1 Current/non-current classification

The Entity presents assets and liabilities in the separate 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 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 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 Entity classifies all other liabilities as non-current.

5.2 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 by the Entity.

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 best economic 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.

5.3 Foreign currency

The transactions in currencies other than the Entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. The non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the separate statement of profit or loss and other comprehensive income in the period in which they arise.

5.4 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

5 Material accounting policies (continued)

5.4 Property, plant and equipment (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the separate statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on written down value basis over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful life as determined based on internal technical evaluation. The estimated useful lives are as under:

	Years
Plant and machinery	3 - 15
Office equipment	2 - 5
Furniture and fixtures	2 - 5
Motor vehicles	10

When part of an item of property, plant and equipment have different useful lives, they are accounted for separately.

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.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the separate statement of profit or loss and other comprehensive income.

Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Entity's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

5.5 Leases

The Entity assesses at the inception of a contract, whether the contract is or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Entity assesses whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Entity.
- the Entity has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Entity has the right to direct the use of the identified asset throughout the period of use. The Entity assesses whether it has the right to direct how and for what purpose the asset is used throughout the period of use.

5.5.1 Entity as lessee

The Entity applies a single recognition and measurement approach for all leases whereby right-of-use assets and lease liabilities are recognized except for the short-term leases and leases of low-value assets.

5 Material accounting policies (continued)

5.5 Leases (continued)

5.5.1 Entity as lessee (continued)

Short-term leases and leases of low-value assets

The Entity elects not to recognize right-of-use assets and lease liability for short term lease contracts (i.e. lease period less than or equal to 12 months from the date of commencement) and for low value assets. The Entity recognises payments associated with these leases as an expense on a straight-line basis over the lease term.

5.6 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written-down value basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Product development cost

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the written down value method to allocate the cost of product development cost over their estimated useful lives of 7 years.

Trademark and brand

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

5.7 Impairment of tangible and intangible assets

At the end of each reporting period, the Entity 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 Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The reversal of impairment loss is limited 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

5.8 Investment in subsidiaries

The investment in subsidiaries are accounted for using cost model under IAS 27 "Separate Financial Statements".

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5 Material accounting policies (continued)

5.9 Investment in joint ventures

A joint venture is joint arrangement whereby the parties have joint control of the arrangement, have right to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for, in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, an investment in joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Entity's share of the profit or loss and other comprehensive income of the joint venture. When the Entity's share of losses of a joint venture exceeds the Entity's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Entity's net investment in joint ventures), the Entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Entity has incurred legal or constructive obligations or made payments on behalf of the joint venture.

After application of the equity method, the Entity determines whether it is necessary to recognise an impairment loss on its investment in joint venture. At each reporting date, the Entity determines whether there is objective evidence that the investment in joint venture is impaired. If there is such evidence, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised within 'Share of profit of an associate and a joint venture' in the statement of profit or loss. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

5.10 Financial instruments

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

Financial assets

Classification

The Entity 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 Entity's business model for managing the financial assets and the contractual terms of the cash flows.

Measurement

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The reversal of impairment loss is limited 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

Financial assets comprise of cash and bank balances, accounts receivable, deposits and other receivables and loan to a related party.

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5 Material accounting policies (continued)

5.10 Financial instruments (continued)

Financial assets (continued)

Cash and bank balances

Cash and bank balances comprise cash on hand and current account with banks.

Accounts receivable

Accounts receivable balances that are held to collect are subsequently measured at the lower of amortized 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 Entity assesses on a forward-looking basis the expected credit losses associated with its accounts receivable and adjusts the value to the expected collectible amounts.

Accounts receivable are written off when they are deemed uncollectible because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on accounts receivable 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.

Loan to a related party

Amounts due from loan to a related party is stated at amortised cost.

Deposits

Deposits are stated at amortised cost.

Other financial assets

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

Impairment of financial assets

For accounts receivable and loan to a related party, the Entity applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

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

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, borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities include accounts and other payables and loans and other borrowings.

Accounts and other payables

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Loan from related parties

Loan from related parties are stated at amortised cost.

5 Material accounting policies (continued)

5.10 Financial instruments (continued)

Financial liabilities (continued)

Loans and other borrowings

Loans and other borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity'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 separate statement of profit or loss and other comprehensive income.

5.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the separate 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.

5.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

5.13 Provisions

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity 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.

5.14 Employees' end of service indemnity benefits

The Entity provides end of service benefits to its expatriate employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service subject to the completion of a minimum service period as per the UAE laws. The expected costs of these benefits are accrued over the period of employment.

5.15 Contract assets

The contract assets are recognised for revenue based on the percentage of completion of a contract and the actual amount certified by the contract employer represented by payment certificates. Upon completion and acceptance by the contract employer, the amounts recognised as contract assets are reclassified to contract receivables.

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5 Material accounting policies (continued)

5.16 Taxation

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the separate statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax liabilities/assets for the current and prior periods are measured at the amount expected to be paid to/recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amount used for taxation purposes (tax base of the asset or liability). The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of the dividends are recognised at the same time when the liability to pay the related dividend is recognised.

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred taxes are recognised as income or an expense and included in separate statement of profit or loss and other comprehensive income for the period, except to the extent that the tax arises from:

- a transaction or event which is recognise in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

5 Material accounting policies (continued)

5.17 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Entity expects to be entitled in exchange for those goods or services. The Entity recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

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

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

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

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

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

Sale of goods

Revenue from the sale of goods in normal course of business is recognised at a point in time and over a period of 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 Entity expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Entity 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 recognized 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 are 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 recognized 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.

Rendering of services

Revenue from the services contracts in the normal course of business is recognised over 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 Entity transfers control of goods or services over time and therefore satisfies performance obligation and recognises revenue over a period of time if one of the following criteria is met:

i) the customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs.

5 Material accounting policies (continued)

5.17 Revenue recognition (continued)

Rendering of services (continued)

ii) the Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced

iii) the Entity's performance does not create an asset with an alternative use to the Entity and the Entity has an enforceable right to payment for performance completed to date.

The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised services to the customer. The consideration expected by the Entity may include fixed or variable amounts which can be impacted by refunds, penalties and others. Revenue for the transfer of services is recognized when control is transferred to the customer 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. Revenue is recorded net of Value Added Tax (VAT).

5.18 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in policy notes, the management are 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 periods if the revision affects both current and future periods.

The significant judgments 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 as follows.

Critical judgements in applying accounting policies

In the process of applying the Entity'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.

Determining the timing of satisfaction of performance obligations - revenue recognition

In making their judgement, the Entity considers the detailed criteria for the recognition of revenue set out in IFRS 15, and in particular, whether the Entity has transferred goods/rendered services to the customer. The management is satisfied that recognition of revenue in the current year is appropriate.

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 as follows.

Net realisable value of inventories

Inventories are stated at the lower of cost or net realizable value. Adjustments to reduce the cost of inventory to its realizable value, if required, are made for estimated obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, product pricing, physical deterioration and quality issues.

Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their estimated useful lives, which are based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

5 Material accounting policies (continued)

5.18 Critical accounting judgements and key sources of estimation uncertainty

Key sources of estimation uncertainty

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the separate financial statements.

Impairment of non-financial assets (tangible, intangible and right of-use-asset)

The Entity assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Entity estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value disposal cost, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Indefinite life - intangible assets

Indefinite life intangible assets comprise of brand and trademark, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brand and the level of marketing support. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changes prospectively basis revised estimates.

Income and deferred taxation

The Entity manages taxation based on management's interpretations of applicable laws and regulations. The quality of these estimates are highly dependent upon management's ability to properly apply at times a very complex set of rules, to recognise changes in applicable rules.

Impairment of Investment in subsidiaries

Impairment for investment in subsidiaries is based on the review of the separate financial statements and cash flow projections of the subsidiaries at the year end. Dividends received from subsidiaries are also taken into consideration by the management to check if there is any indication of impairment in investment.

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6 Property, plant and equipment

	Plant and machinery*	Office equipment	Furniture and fixtures	Motor vehicles	CWIP**	Total
Cost						
As at April 01, 2024	9,138,844	154,305	29,565	-	-	9,322,714
Additions during the year*	6,433,547	18,556	-	-	-	6,452,103
Transfer from related party**	7,420,698	12,894	52,438	21,736	-	7,507,766
As at March 31, 2025	22,993,089	185,755	82,003	21,736	-	23,282,583
Additions during the year	**258,953**	**28,460**	-	-	**1,010,357**	**1,297,770**
As at March 31, 2026	**23,252,042**	**214,215**	**82,003**	**21,736**	**1,010,357**	**24,580,353**
Accumulated depreciation						
As at April 01, 2024	5,199,683	122,593	28,681	-	-	5,350,957
Charge for the year (note 31)	995,032	26,006	398	-	-	1,021,436
As at March 31, 2025	6,194,715	148,599	29,079	-	-	6,372,393
Charge for the year (note 31)	**2,741,560**	**32,497**	**23,655**	**5,628**	-	**2,803,340**
As at March 31, 2026	**8,936,275**	**181,096**	**52,734**	**5,628**	-	**9,175,733**
Carrying value as at March 31, 2026	**14,315,767**	**33,119**	**29,269**	**16,108**	**1,010,357**	**15,404,620**
Carrying value as at March 31, 2025	16,798,374	37,156	52,924	21,736	-	16,910,190

Notes:

* Machineries are under lien against the term loan (refer note 23).

**CWIP refers to the renovation of office block, and compound wall at Office premises at Sharjah Main City, Sharjah.

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7 Intangible assets

	Product development cost	Trademark and brand gross block (Rochem brand)*	Other intangible assets	Capital work in progress**	Total
Cost					
As at April 01, 2024	2,012,334	11,113,628	551,100	1,414,169	15,091,231
Additions during the year	-	-	17,456	-	17,456
As at March 31, 2025	2,012,334	11,113,628	568,556	1,414,169	15,108,687
Additions during the year	-	-	-	**60,834**	**60,834**
Transferred from CWIP to intangible asset	-		**1,268,352**	**(1,268,352)**	-
As at March 31, 2026	**2,012,334**	**11,113,628**	**1,836,908**	**206,651**	**15,169,521**
Amortisation					
As at April 01, 2024	1,454,278	-	214,263	-	1,668,541
Charge for the year (note 31)	194,315	-	149,867	-	344,182
As at March 31, 2025	1,648,593	-	364,130	-	2,012,723
Charge for the year (note 31)	**126,654**	-	**244,999**	-	**371,653**
As at March 31, 2026	**1,775,247**	-	**609,129**	-	**2,384,376**
Carrying value as at March 31, 2026	**237,087**	**11,113,628**	**1,227,779**	**206,651**	**12,785,145**
Carrying value as at March 31, 2025	363,741	11,113,628	204,426	1,414,169	13,095,964

*The Entity has acquired the trademark and brand (Rochem brand) on June 29, 2021. This was acquired from Rochem GmbH which has given world-wide rights to the Entity to use the Rochem Brand name. There are no legal or contractual restrictions and there is no foreseeable limit to the use of the brand.

** CWIP relating to the Zero Liquid Discharge project design was transferred to other intangible assets during the year.

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8 Investment in subsidiaries	Percentage of ownership interest			
Name of the subsidiaries and domicile	**2026**	2025	**2026**	2025
M/s. Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah - U.A.E	**100%**	100%	**2,375,100**	2,375,100
M/s. Concord Enviro SA DE CV - Mexico	**100%**	100%	**14,880**	14,880
M/s. Concord Enviro Africa Limited, Kenya	**100%**	-	**2,837**	-
M/s. Concord Water Africa Limited, Uganda	**100%**	-	**1,996**	-
			2,394,813	2,389,980

The principal activity of M/s. Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah – U.A.E., is the manufacturing of water filters and trading of water treatment equipment, while the principal activity of M/s. Concord Enviro SA De CV, Mexico, is water purification through filtration, pasteurization, and reverse osmosis.

The principal activities of M/s. Concord Enviro Africa Limited, Kenya, and M/s. Concord Water Africa Limited, Uganda, are also manufacturing, trading, installation, and maintenance of water treatment equipment and related environmental solutions to support the Group's expansion within the African region.

The investment in subsidiaries have been separately accounted at cost in the financial statements in accordance with IAS 27 ("Separate Financial Statements"). The Entity avails exemption to consolidate the subsidiary in accordance with IFRS 10 ("Consolidated Financial Statements") since the Parent Entity prepares consolidated financial statements.

9 Investment in joint ventures	Percentage of ownership interest			
	2026	2025	**2026**	2025
M/s. WHE Systems FZC, Saif Zone, Sharjah - Investment in capital	**50%**	50%	**75,000**	75,000
M/s. WHE Systems FZC, Saif Zone, Sharjah - Other non-current investments	**50%**	50%	**19,218,524**	16,938,636
			19,293,524	17,013,636

10 Investments	**2026**	2025
M/s. Aqua Membranes Inc. - U.S.A.	**1,835,000**	1,835,000

During the previous year, M/s. Aqua Membranes Inc. - U.S.A. has issued 1,266,143 Series B-1 preferred stock shares at convertible securities price of USD 0.3949 per share against outstanding advances held by Issuer. Above stock shall be convertible at the option of the holder. Thereof, at anytime and from time to time and without the payment of additional contribution by the holder. Thereof, into such number of fully paid and non-assessable share of common stock as determined in agreement.

11 Other financial assets - non-current	**2026**	2025
Security deposits	**180,082**	148,680

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12 Inventories

	2026	2025
Raw materials (note 28(i))	**18,948,495**	18,675,467
Finished goods (note 28(iii))	**4,665,733**	5,963,239
	23,614,228	24,638,706

13 Accounts receivable

	2026	2025
Due from third parties	**36,005,987**	19,733,501
Due from related parties (note 26)	**1,405,651**	6,385,445
Less: Allowance for expected credit loss	**(4,829)**	(144,106)
	37,406,809	25,974,840

The average credit period for the accounts receivable is 90 days (2025: 90 days). Provisions are based on the estimated irrecoverable amounts determined by reference to past default experience.

Of the total due from third parties as at March 31, 2026, the 5 customers (2025: 5 customers) represents 81% (2025: 76%) of the total accounts receivable.

	2026	2025
Ageing of accounts receivable that are neither past nor due:		
Not due	**37,243,559**	24,713,425
Ageing of accounts receivable that are past due:		
0 - 90 days	**148,562**	944,274
91 - 180 days	**19,518**	402,022
181 and above	-	59,225
	37,411,638	26,118,946

Impairment of accounts receivable (third parties):

The Entity applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. In determining the impairment loss on accounts receivable, the Entity does not consider any changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The management has established a provision matrix that is based on its historic credit loss experience, adjusted for forward-looking information specific to the debtor and the overall economic environment.

	2026	2025
Expected credit loss rate	**0.01%**	0.73%
Estimated total gross carrying amount at default	**36,005,987**	19,733,501
Amounts not past due	**37,243,559**	24,713,425
Lifetime expected credit loss	**4,829**	144,106
Net carrying amount	**37,406,809**	25,974,840
The movements in the allowance for expected credit loss as at reporting date are as follows:		
Balance at the beginning of the year	**144,106**	102,541
Charge during the period (note 32)	-	41,565
(Reversal) during the year (note 28)	**(139,277)**	-
Balance at the end of the year	**4,829**	144,106

Geographical analysis:

The geographical analysis of accounts receivable are as follows:

	2026	2025
Within U.A.E.	-	1,485,357
Within India	**1,405,651**	6,385,445
Others	**36,005,987**	18,248,144
	37,411,638	26,118,946

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14	Contract assets	2026	2025
	Sale of goods and services	**12,057,690**	27,473,406
	Comprising:		
	Current portion	**12,057,690**	27,473,406

The contract assets arise on contracts with customers where cumulative payments received from customers at the reporting date do not necessarily equal the amount of revenue recognized for such contracts. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Entity issues an invoice to the customer.

Management has concluded that the Expected Credit Loss (ECL) for all the above contract assets is immaterial as on the reporting date.

15	Cash and bank balances	2026	2025
	Cash on hand	**3,401**	2,341
	Cash at banks	**479,780**	1,849,138
		483,181	1,851,479

Management has concluded that the Expected Credit Loss (ECL) for all bank balances is immaterial as these balances are held with banks/financial institutions whose credit risk rating by international rating agencies has been assessed as low.

16	Other bank deposits	2026	2025
	Margin deposits*	**1,297,056**	1,005,905
	Term deposits**	**1,492,732**	-
		2,789,788	1,005,905

*The margin deposits are under lien against bank facilities (note 22).
**The term deposits are under lien against bank facilities and carries interest at x% p.a. (note 22).

17	Advances, prepayments and other receivables	2026	2025
	Advance paid to suppliers	**7,199,075**	6,646,251
	Prepayments	**258,411**	150,177
	VAT receivable - net	**335,962**	248,342
		7,793,448	7,044,770

18	Other financial assets - current	2026	2025
	Security deposits	**6,035**	586,799

19 Share capital

Authorised, issued and paid up capital of the Entity is twenty four shares (2025: two share) of AED 3,600,000 (2025: 300,000) fully paid.

Vide addendum to the Memorandum and Articles of Association dated October 29, 2025, the authorized, issued and paid up capital increased from AED 300,000 to AED 3,600,000 as at reporting date (note 1.5).

The details of the revised shareholding as at reporting date are as follows:

Name of the shareholder	Domicile	Percentage	No. of shares	2026
M/s. Concord Enviro Systems Limited	India	100	24	**3,600,000**

The details of the shareholding as at March 31, 2025 was as follows:

Name of the shareholder	Domicile	Percentage	No. of share	2025
M/s. Concord Enviro Systems Limited	India	100	2	300,000

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20 Share premium

	2026	2025
Balance at the beginning of the year	**22,577,273**	-
Share premium received	**5,744,999**	22,577,273
Balance at the end of the year	**28,322,272**	22,577,273

In the current year, the Entity received additional share premium amounting to AED 5.74 million in relation to the issuance of additional shares to the shareholder. Accordingly, the share premium balance increased from AED 22.57 million to AED 28.32 million as at year-end. The shares were issued based on the valuation previously obtained from the independent valuer dated December 31, 2024.

21 Retained earnings

	2026	2025
Balance at the beginning of the year	**87,708,212**	66,539,373
Profit for the year	**10,769,404**	21,168,839
Balance at the end of the year	**98,477,616**	87,708,212

22 Bank Borrowings

(a) Due to banks

	2026	2025
Working capital demand loan *	**8,074,000**	7,817,100
Trust receipts **	**7,548,722**	4,353,567
Bank overdraft	**457,966**	-
	16,080,688	12,170,667
Comprising:		
Current portion	**16,080,688**	12,170,667

* The Entity has secured a working capital demand loan facility of AED 8.8 million from ICICI Bank. As at March 31, 2026, the outstanding balance amounted to AED 8.07 million (2025: AED 7.82 million). The loan carries a floating interest rate of SOFR + 2.50% per annum and is repayable within 90 days from the date of utilization through bullet repayment arrangements.

** Due to banks have following covenants and securities:

i) Pledge over fixed deposit of AED 1,900,000 (2025: AED 1,420,000), including accrued interest, in the name of M/s. Concord Enviro (FZE), in favour of National Bank of Fujairah - Sharjah.

ii) Personal guarantee of Mr. Prayas Goel (the "Guarantor").

iii) Joint and several personal guarantees of Mr. Prerak Goel and Mr. Ashish Singal (the "Guarantors").

iv) Settlement cheque covering total facilities amount (less fixed deposit under pledge) drawn on National Bank of Fujairah - Sharjah.

v) Assignment of insurance policy in the name of M/s. Concord Enviro (FZE) covering equipment for an amount of AED 5,500,000 and stocks for an amount of AED 10,000,000 in favour of National Bank of Fujairah - Sharjah.

vi) Pledge over margin and term deposits, in favour of National Bank of Fujairah - Sharjah (note 16).

(b) Secured loan

	2026	2025
Balance at the beginning of the year	-	13,212,000
Repaid during the year	-	(13,212,000)
Balance at the end of the year	-	-

The above mentioned fixed term loan from 'Global Climate Partnership Fund S.A., SICA V-SIF' has been fully repaid on February 14, 2025.

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23 Term loan

	2026	2025
National bank of Fujairah - term loan *	**3,003,250**	4,704,750

*The term loan from National Bank of Fujairah decreased from AED 4.70 million in FY 2025 to AED 3.00 million in FY 2026 due to repayments made during the year in accordance with the agreed repayment schedule. The loan is being repaid through 36 equal monthly instalments following the expiry of the initial moratorium period after the final drawdown.

Term loan has the following covenants and securities:
Registered chattel mortgage over equipment for AED 7,000,000 under the name of the Entity.

	2026	2025
Breakup of term loan:		
Balance at the beginning of the year	**4,704,750**	-
Add: Loan received during the year	-	4,797,000
Add: Interest charges for the year	**304,592**	180,652
Less: Repaid during the year	**(2,006,092)**	(272,902)
	3,003,250	4,704,750
Comprising:		
Current portion	**1,599,000**	1,701,500
Non-current portion	**1,404,250**	3,003,250
	3,003,250	4,704,750

24 Employees' end of service benefits

	2026	2025
Balance at the beginning of the year	**602,383**	130,119
Transfer from related party	-	509,673
Add: Charge for the year (note 29)	**37,971**	-
Less: Re-measurement gains on defined benefit plans	**(10,454)**	-
Less: Payments during the year	-	(37,409)
Balance at the end of the year	**629,900**	602,383

Comprising:	2026	2025
Current portion	**133,674**	126,603
Non-current portion	**496,226**	475,780
	629,900	602,383

25 Accounts and other payables

	2026	2025
Financial liabilities		
Due to related parties (note 26)	**12,721,283**	21,020,106
Accounts payable	**2,663,236**	4,006,441
Other payables	**420,572**	351,486
Interest accrued but not due	**58,524**	25,832
Security deposit from customer	-	128,358
Non financial liabilities		
Advances received from customers	**79,956**	-
	15,943,571	25,532,223

26 Related party balances and transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such balances and transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions (except revenue related transactions) with third parties. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

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26 Related party balances and transactions (continued)

a) Balances with related parties

	2026	2025
- Due from a related party		
Shareholder		
M/s. Concord Enviro Systems Limited - India (note 13)	**1,405,651**	6,385,445
- Due to related parties		
Shareholder		
M/s. Concord Enviro Systems Limited - India	**988,246**	314,802
From Subsidiary		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**1,957,592**	-
M/s. Concord Enviro SA DE CV - Mexico	-	10,643
Entities under common management and control:		
M/s. Rochem Separation Systems (India) Private Limited - India	**9,624,413**	21,009,463
M/s. Roserve Enviro FZE - Sharjah	**151,032**	-
Total due to related parties (note 25)	**12,721,283**	21,334,908
- Loan to a related party		
Subsidiary		
M/s. Concord Enviro SA DE CV - Mexico	**32,620,248**	13,626,153

The same is a short term loan repayable on demand and carries no interest.

	2026	2025
- Loan from related parties		
Subsidiary		
M/s. Concord Water Africa Ltd. - Uganda	**366,663**	-
M/s. Concord Enviro Africa Ltd. - Kenya	**2,240,651**	-
	2,607,314	-

A working capital loan was provided to the related party to support its operational requirements. The loan is interest-free and remains outstanding as at the reporting date. No financing charge or interest component is attached to the arrangement, as it was extended solely for short-term funding purposes. Based on management's current expectations, the amount is anticipated to be repaid within the next 3 to 4 months.

b) Transactions with related parties

The nature of significant related party transactions and the amounts involved were as follows:

	For the year ended March 31,	
Shareholder	**2026**	2025
Sale of goods and services		
M/s. Concord Enviro Systems Limited - India	**19,305,649**	20,129,458
Sale of fixed assets		
M/s. Concord Enviro Systems Limited - India	-	756,020
Entities under common management and control		
Sale of goods and services		
M/s. Roserve Enviro FZE, Sharjah - U.A.E	-	1,284,500
M/s. WHE Systems FZC, Sharjah - U.A.E	**355,326**	-
	355,326	1,284,500
Purchase of goods		
M/s. Rochem Separation Systems (India) Private Limited - India	**8,727,663**	26,046,238
M/s. WHE Systems FZC, Sharjah - U.A.E	**4,415**	23,185
	8,732,079	26,069,423

26 Related party balances and transactions (continued)	**For the year ended March 31,**	
b) Transactions with related parties (continued)	**2026**	2025
Investment		
M/s. WHE Systems FZC, Sharjah - U.A.E	**2,279,887**	1,451,726
Lease rent and license fees		
M/s. Roserve Enviro FZE, Sharjah - U.A.E	**1,680,126**	1,680,126
Other borrowing charges		
M/s. Concord Enviro Systems Limited - India	**105,977**	60,999
Service charges expenses		
M/s. Concord Enviro Systems Limited - India	**988,246**	2,258,401
Freight expenses		
M/s. Concord Enviro Systems Limited - India	**253,327**	265,605
M/s. Concord Enviro SA DE CV - Mexico	**6,753**	-
	260,080	265,605
Expense reimbursed on behalf of related party		
M/s. Concord Water Africa Ltd. - Uganda	**12,387**	-
M/s. Concord Enviro Africa Ltd. - Kenya	**148,392**	-
M/s. Concord Enviro Systems Limited - India	**197,075**	336,922
	357,853	336,922
Subsidiaries		
Sale of goods and services		
M/s. Concord Enviro SA DE CV - Mexico	**126,248**	-
Dividend income (note 28)		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**-**	9,540,610
Loan given to a related party		
M/s. Concord Enviro SA DE CV - Mexico	**16,608,479**	13,300,574
Loan from related party		
M/s. Concord Enviro Africa Ltd. - Kenya	**366,663**	-
M/s. Concord Water Africa Ltd. - Uganda	**2,240,651**	-
	2,607,314	-
Interest income		
M/s. Concord Enviro SA DE CV - Mexico	**2,385,616**	325,579
Service charges expenses		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**-**	843,015
Expense reimbursed by related party		
M/s. Concord Enviro SA DE CV - Mexico	**-**	10,643
Lease rent and license fees (note 32)		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**-**	2,280,000

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		For the year ended March 31,	
27	**Revenue**	**2026**	2025
	Revenue from contracts with customers	**59,661,425**	99,717,959

27.1 Disaggregated revenue information

Set out below is the disaggregation of the Entity's revenue from contracts with customers.

	For the year ended March 31,	
Segments	**2026**	2025
Sale of goods	**58,105,047**	94,269,200
Sales of services	**1,556,378**	5,448,759
Total revenue from contracts with customers	**59,661,425**	99,717,959
Geographical markets		
Within U.A.E.	**2,218,133**	3,937,621
India	**19,558,977**	21,151,083
Others	**37,884,315**	74,629,255
Total revenue from contracts with customers	**59,661,425**	99,717,959
Timing of revenue recognition		
Goods/services transferred over a period of time	**49,341,560**	62,718,279
Goods/services rendered at a point in time	**10,319,865**	36,999,680
Total revenue from contracts with customers	**59,661,425**	99,717,959

		For the year ended March 31,	
28	**Other income**	**2026**	2025
	Dividend income	-	9,540,610
	Interest income	**2,418,348**	337,056
	Net gain on foreign exchange	**4,375,306**	-
	Liabilities written off	**51,915**	238,995
	Reversal of allowance for expected credit loss (note 13)	**139,277**	-
		6,984,846	10,116,661

		For the year ended March 31,	
		2026	2025
28 (i)	**Cost of raw material consumed**		
	Inventories at the beginning of the year	**18,675,467**	16,217,970
	Purchases	**34,484,862**	61,874,864
	Direct expenses	**2,426,291**	3,345,500
	Less: Inventories at the end of the year (note 12)	**(18,948,495)**	(18,675,467)
		36,638,125	62,762,867

		For the year ended March 31,	
28 (ii)	**Service charges**	**2026**	2025
	Service charges (*)	**265,136**	1,337,984

* From previous reporting year, the subsidiary, M/s. Blue Water Trading & Treatment (FZE), SAIF Zone - Sharjah, has started recharging the cost related to employee benefit, legal and professional fees, rent, power and water charges, advertisement and sales promotion expenses, telephone and communicated expenses and insurance expenses to the Entity, which is discontinued during the year.

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		For the year ended March 31,	
28 (iii)	**(Decrease)/increase in inventories of finished goods**	**2026**	2025
	Inventories at the beginning of the year	**5,963,239**	4,953,324
	Less: Inventories at the end of the year (note 12)	**(4,665,733)**	(5,963,239)
		1,297,506	(1,009,915)

		For the year ended March 31,	
29	**Employee benefits expenses**	**2026**	2025
	Salaries and other related benefits	**4,605,270**	4,023,666
	Staff welfare expenses	**352,735**	407,097
	Gratuity (note 24)	**37,971**	(34,520)
	Director Sitting Fess	**24,947**	-
		5,020,923	4,396,243

		For the year ended March 31,	
30	**Finance costs**	**2026**	2025
	Interest on secured borrowings	**280,473**	766,019
	Interest on short-term borrowings	**1,070,105**	1,496,752
	Penalty charges on loan prepayment	**-**	220,200
	Other borrowing charges	**383,387**	478,693
		1,733,965	2,961,664

31	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (note 6)	**2,803,340**	1,021,436
	Amortisation of intangible assets (note 7)	**371,653**	344,182
		3,174,993	1,365,618

		For the year ended March 31,	
32	**Other expenses**	**2026**	2025
	Net loss on foreign exchange	**-**	4,892,011
	Freight, clearing and forwarding	**2,117,782**	5,176,800
	Rent (note 26) *	**1,680,126**	3,960,126
	Lease rent and license fees	**572,160**	531,063
	Travelling expenses	**1,629,648**	811,251
	Professional charges	**262,800**	269,857
	Bank charges and commission	**141,552**	186,039
	Consumables	**217,748**	242,091
	Repairs and maintenance	**274,059**	234,761
	Allowance for expected credit loss (note 13)	**-**	41,565
	Insurance charges	**367,667**	86,942
	Auditor's remuneration	**90,000**	85,125
	Power and fuel	**157,905**	73,504
	Printing and stationery	**14,559**	14,065
	Bad debts written off	**2,460**	20,336
	Postage and telephone expenses	**131,452**	107,317
	Other expenses	**96,755**	121,355
		7,756,673	16,854,208

33 Taxation

M/s. Concord Enviro (FZE) (the "Entity") is eligible to claim a 0% tax benefit available to qualifying free zone entities, as it meets all conditions outlined in Article 18 of Federal Decree Law No. 47 of 2022 on the taxation of corporations and businesses, in conjunction with Cabinet Decision No. 100 of 2023 and Ministerial Decision No. 265 of 2023.

34 Financial instruments

a) Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 5 to the separate financial statements.

b) Financial assets and financial liabilities

Below are the principal financial instruments used by the Entity and their categories, from which financial instrument risk arises:

	Amortised cost	
Financial assets	**2026**	2025
Cash and bank balances	**483,181**	1,851,479
Accounts receivable	**37,406,809**	25,974,840
Loan to a related party	**32,620,248**	13,626,153
Other financial assets (current)	**6,035**	586,799
Other financial assets (non-current)	**180,082**	148,680
Contract assets	**12,057,690**	27,473,406
Other bank deposits	**2,789,788**	1,005,905
	85,543,833	70,667,262
Financial liabilities		
Accounts and other payables	**13,906,023**	25,532,223
Borrowings (current)	**16,080,688**	12,170,667
Term loan (current)	**1,599,000**	1,701,500
Term loan (non- current)	**1,404,250**	3,003,250
Loan from related parties	**2,607,314**	-
	35,597,275	42,407,640

c) Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

The Entity maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 management assessed that fair value of accounts receivable, other receivables, cash and bank balances, other bank deposits, other financial assets, loan to a related party, borrowings, accounts and other payables and contract assets approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

35 Financial risk management objectives

The Entity's Board of Directors have the overall responsibility for the establishment and oversight of the Entity's risk management framework. The Board of Directors are responsible for developing and monitoring the Entity's risk management policies. The Entity's risk management policies are established to identify and analyze the risk faced by the Entity, 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 Entity's activities. The Entity's Board of Directors oversees how management monitors compliance with the Entity's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Entity. The Board of Directors are assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Entity has exposure to the following risks arising from financial instruments:
- Foreign currency risk
- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

a) *Foreign currency risk management*

The Entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Arab Emirates Dirham.

b) *Credit risk:*

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Entity periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables. The Entity evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the period end.

The Entity considers factors such as track record, size of institutions, market reputation and service standards to select banks with which balances and deposits are maintained. the balances and fixed deposits are generally maintained, with the banks with whom the Entity has regular transactions. Further, the Entity does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Entity is not exposed to expected credit loss of cash and cash equivalent and bank balances.

c) *Liquidity risk management*

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Entity's reputation.

35 Financial risk management objectives (continued)

c) *Liquidity risk management (continued)*

Management monitors rolling forecasts of the Entity's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Entity's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

Liquidity and interest risk tables:

The table below summarizes the maturity profile of the Entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date to the contractual maturity date. The maturity profile of the assets and liabilities at the separate statement of financial position date based on contractual repayment arrangements were shown as follows:

	Interest bearing			Non Interest bearing			
Particulars	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**Total**
				As at March 31, 2026			
Financial assets							
Accounts receivable	-	-	-	-	37,406,809	-	37,406,809
Contract assets	-	-	-	-	12,057,690	-	12,057,690
Other financial assets	-	-	-	-	6,035	180,082	186,117
Other bank deposits	-	-	-	-	2,789,788	-	2,789,788
Loan to a related party	-	-	-	-	-	32,620,248	32,620,248
Cash and bank balances	-	-	-	-	483,181	-	483,181
	-	-	-	-	52,743,503	32,800,330	85,543,833
Financial liabilities							
Accounts and other payables	-	-	-	-	13,906,023	-	13,906,023
Borrowings	-	16,080,688	-	-	-	-	16,080,688
Term loan	-	1,599,000	1,404,250		-	-	3,003,250
Loan from related parties	-	-	-	-	2,607,314	-	2,607,314
	-	17,679,688	1,404,250	-	16,513,337	-	35,597,275

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35 Financial risk management objectives (continued)

c) *Liquidity risk management (continued)*

Liquidity and interest risk table (continued)

	Interest bearing			Non Interest bearing			
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	Total
				As at March 31, 2025			
Financial assets							
Accounts receivable	-	-	-	-	25,974,840	-	25,974,840
Contract assets	-	-	-	-	27,473,406	-	27,473,406
Other financial assets	-	-	-	-	586,799	148,680	735,479
Other bank deposits	-	-	-	-	1,005,905	-	1,005,905
Loan to a related party	-	13,626,153	-	-	-	-	13,626,153
Cash and bank balances	-	-	-	-	1,851,479	-	1,851,479
	-	13,626,153	-	-	56,892,429	148,680	70,667,262
Financial liabilities							
Accounts and other payables	-	-	-	-	25,532,223	-	25,532,223
Borrowings	-	12,170,667	-	-	-	-	12,170,667
Term loan	-	1,701,500	3,003,250		-	-	4,704,750
	-	13,872,167	3,003,250	-	25,532,223	-	42,407,640

d) *Market risk*

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Entity'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 optimizing the return. The pre dominant currency of the Entity's revenue and operating cash flows is Arab Emirates Dirham (AED). There is foreign currency risk as there are outstanding foreign currency exposure at the year end.

e) Interest rate risk

The Entity's exposure to the risk of changes in market interest rates relates primarily to the Entity's borrowings with floating interest rates. The Entity's policy is to manage its interest cost using a mix of fixed and variable rate debts. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rate is fixed until the maturity of the instrument.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used for reporting interest rate risk internally to key management and represents management's assessment of the reasonable possible change in interest rates.

36 Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year. The Entity is not subject to any externally imposed capital requirements.

The capital structure of the Entity consists of equity comprising issued capital, share premium and retained earnings as disclosed in the separate financial statements.

37 Foreign exchange risk and sensitivity

		As at March 31, 2026		As at March 31, 2025	
Foreign currency exposure	Currency	Amount in FC	Amount in AED	Amount in FC	Amount in AED
Financial assets	USD	**8,036,213**	**29,491,066**	6,950,349	25,507,779
Financial assets	EURO	**26,815**	**113,795**	28,165	111,923
Financial assets	MXN	**49,280,488**	**10,074,438**	16,379,707	2,945,071
Financial liabilities	USD	**5,491,743**	**20,154,697**	8,647,693	31,737,034
Financial liabilities	EURO	**53,386**	**225,535**	132,203	525,357

38 Interest rate risk

	For the period ended March 31, 2026		For the year ended March 31, 2025	
	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT
(Increase)/decrease in profit & loss	**517,984**	**517,984**	211,660	211,660

39 Contingent liabilities

	As at March 31, 2026	2025
Letter of credit	**1,021,545**	378,959

Except for the above and ongoing business obligations which are under normal course of business, there has been no other known contingent liability on the Entity's separate financial statements as at the reporting date.

40 Commitments

	As at March 31, 2026	2025
Capital commitment	**1,277,166**	1,338,000

Except for the above and ongoing business obligations which are under normal course of business, there has been no other known commitment on the Entity's separate financial statements as at the reporting date.

41 Comparative figures

There was no reclassification or regroupings made in the previously reported financial result or equity of the Entity.

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