TAX GIAN

20 Microns (FZE)

SAIF Zone, United Arab Emirates

Financial Statements

For the year ended 31 March 2025

TAX GIAN

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20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Financial Statements

For the year ended 31 March 2025

Director's Report

20 MICRONS (FZE)
Sharjah Airport International Free Zone, United Arab Emirates

The director have pleasure in presenting his report and financial Statements for the year ended 31 March 2025.

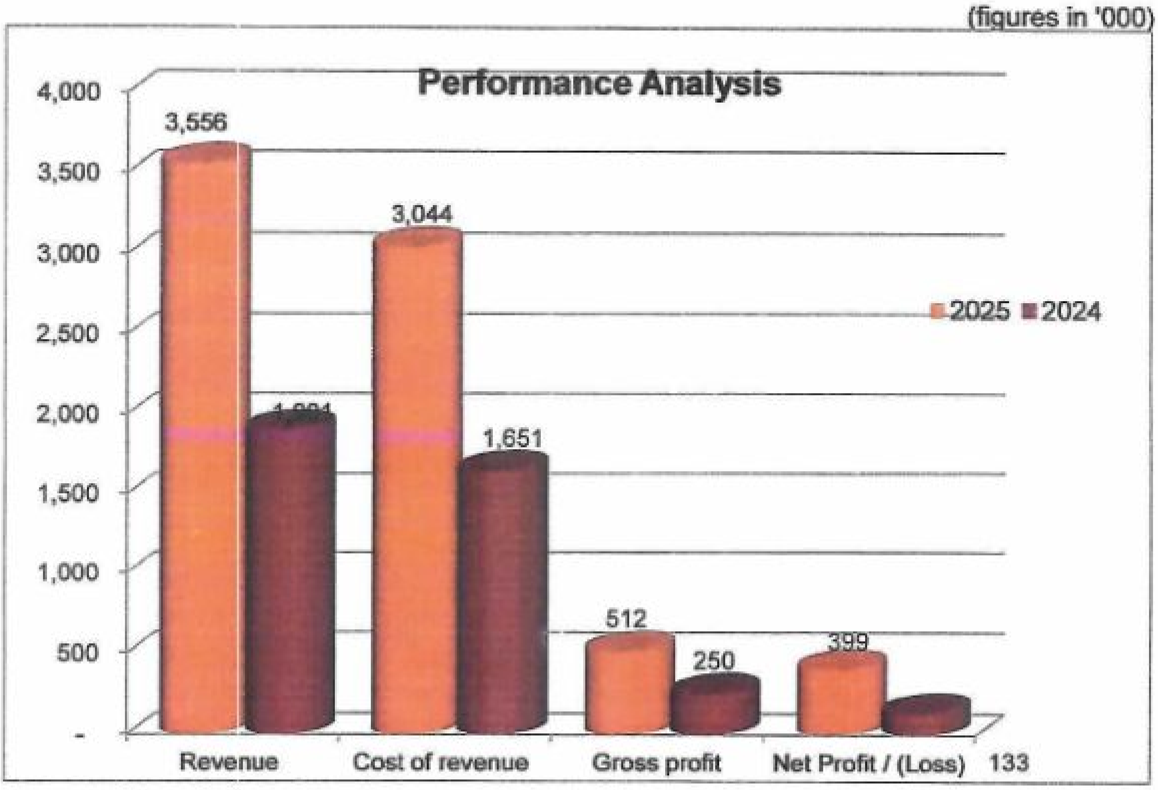
Principal Activities:

The principal activities of the Establishment are unchanged since the previous year and consist of General Trading.

Business Operations Review and Future Business Developments:

The establishment's performance was satisfactory with a turnover of AED 3,555,910 (2024: AED 1,901,364). The Director consider this performance as satisfying in the context of highly competitive business environment all around. The establishment has achieved a net profit of AED 397,074 (2024: AED 133,148) during the year. The Director are optimistic about the prospects for the ensuing year and expect to improve the performance of the establishment.

(figures in '000)



Director's Report

Director

The Director, representing the establishment who served throughout the year have no interest in the share capital of the company as at 31 March 2025 was as follows:

Name	Nationality	2025	2024
Atil Parikh	India	Yes	Yes

Risk Management and Internal Control Systems:

The establishment is committed to the ongoing process of identifying risk factors, analyzing the risks, and deciding upon measures of risk handling and risk control, with a view to achieving sustainability of business operations, employment and surpluses. The Establishment's risk management framework identifies, accesses, manages and reports risks on a consistent and reliable basis. The Director consider primary risk areas to be credit risk, market risk (interest rate, foreign exchange) and liquidity risk. The other risk areas include physical and operational risks, human resource risks, technology risks and business continuity and disaster recovery risks.

The management recognizes their responsibility to ensure existence of the system of internal control and for reviewing its continued effectiveness. In view of the above, the management has in place a management information system, that facilitates financial and other information being periodically reported on a transparent basis to the management, and that in turns helps in initiating action, to mitigate risks to the extent feasible.

Going Concern:

The attached financial statement has been prepared on the going concern basis. While preparing the accounts the management has made an assessment of the establishment's ability to continue as a going concern. The management has not come across any evidence that causes the management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the establishment's ability to continue as a going concern.

Creditors Payment Policy:

The establishment maintain a policy of paying suppliers in accordance with terms and conditions agreed with them.

Events After Year End:

In the opinion of the director, no transaction or event of a material and unusual nature, favorable or unfavorable has arisen in the interval between the end of the financial year and the date of this report, which is likely to affect, substantially the result of the operations or the financial position of the establishment.

Property, Plant & Equipments:

The company does not own any property,Plants & Equipments in its name.

Director's Report

Auditors:

The Auditors, **M/s. Jitendra Chartered Accountants, Dubai**, United Arab Emirates are willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting (AGM).

Statement of Directors Responsibility:

The establishment law required the Directors' to prepare the financial Statements for each financial year which gives a true and fair view of the state of affairs of the establishment and of the net profit or loss for the financial year.

The audited financial Statements for the year under review, have been prepared in conformity and in compliance with the requirements of the relevant statutory requirements and other governing laws. The Director's confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that discloses with reasonable accuracy at any time, the financial position of the establishment and enables them to ensure that the financial Statements comply with the requirements of applicable statute. The Director also confirms that appropriate accounting policies have been selected and applied consistently in order that the financial Statements reflect fairly the form and substance of the transactions carried out during the period under review and reasonably presents the establishment's financial conditions and results of its operations.

For 20 MICRONS FZE
For 20 MICRONS (FZE)

Director Authorised Signatory

20 MICRONS FZE P.O. BOX 120194 SAIF ZONE SHARJAH UAE

Place: Sharjah Airport International Free Zone, United Arab Emirates
Date : 21 May 2025

INDEPENDENT AUDITOR'S REPORT

The Shareholder
20 MICRONS (FZE)
Sharjah Airport International Free Zone, United Arab Emirates

Opinion

We have audited the accompanying financial statements of 20 Microns FZE ("the Establishment"), which comprise the statement of financial position as at 31 March 2025 and the statement of profit or loss & other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management Those Charged with Governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for their compliance with the applicable provisions of the the provisions of the Dubai Integrated Economic Zones Authority Implementing Regulations 2023 pursuant to Law No. (16) of 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

continued...

JITENDRA Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
continued...

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate they could reasonably be expected to influence the economic decision of user taken on the basis of these financial statements.

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

> Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

> Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Establishment's internal control.

> Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

> Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure 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 many cause the establishment to cease continue as a going concern.

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JITENDRA Chartered Accountants

Dubai (Head Office)

INDEPENDENT AUDITOR'S REPORT
continued...

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

> Obtain sufficient appropriate audit evidence regarding the financial information of the Establishment to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged the 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 Emiri Decree No. 2 of 1995 issued in Sharjah on May 8, 1995 applicable to Sharjah Airport International Free Zone, we report that:.

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

ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Emiri Decree No. 2 of 1995 issued in Sharjah on May 8, 1995 applicable to Sharjah Airport International Free Zone

iii) the establishment has maintained proper books of account;

iv) the financial information included in the Director's report is consistent with the books of account of the establishment;

v) the establishment has not purchased or invested in shares during the financial year ended on 31 March 2025;

vi) note 14 to the financial statements reflects material related parties transactions, and the terms under which they were conducted;

continued...

INDEPENDENT AUDITOR'S REPORT
continued...

vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the establishment has contravened during the financial year ended 31 March 2025 any of the applicable provisions of the Emiri Decree No. 2 of 1995 issued in Sharjah on May 8, 1995 applicable to Sharjah Airport International Free Zone or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 March 2025 and there are no penalties imposed on the Company.

Jitendra Chartered Accountants

Divya

(Divya Jitendra Gianchandani)

Partner

Registration No. 608

Place Dubai,
Date 30 May 2025

TAX GIAN

20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Statement of Financial Position

As at 31 March 2025

	Note	2025	2024 Note No. 25
		AED	AED
ASSETS			
Current assets			
Accounts receivable	6	1,172,978	274,666
Other receivables and prepayments	7	29,388	46,310
Cash and balance with banks	8	277,588	1,030,762
Total current assets		1,479,954	1,351,738
TOTAL ASSETS		1,479,954	1,351,738
EQUITY AND LIABILITIES			
Equity			
Share capital	9	150,000	150,000
Retained Earnings	10	397,094	-
Total Equity		547,094	150,000
Liabilities			
Current liabilities			
Shareholder's current account	11	400,074	767,325
Accounts payable	12	509,441	151,695
Provisions and accruals	13	23,345	282,718
Total current liabilities		932,860	1,201,738
TOTAL EQUITY AND LIABILITIES		1,479,954	1,351,738

The notes on pages no. 11 to 31 form part of these financial statements.

These financial statements were authorized by the Director on 21 May 2025.

For 20 MICRONS (FZE)

For 20 MICRONS FZE

Director Authorised Signatory

20 MICRONS FZE P.O. BOX 120194 SAIF ZONE SHARJAH UAE

The independent auditor's report is set out on pages 4 to 7.

20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2025

	Note	2025	2024 Note No. 25
		AED	AED
Revenue	15	**3,555,910**	1,901,364
Cost of revenue	16	**(3,044,382)**	(1,650,901)
Gross profit		**511,528**	250,463
Administration expenses	17	**(62,113)**	(70,778)
Selling expenses	18	-	(19,016)
Financial expenses	19	**(20,929)**	(27,380)
Other expenses	20	**(29,207)**	(141)
Profit before income Tax for the year		**399,279**	133,148
Income tax expense	21	**(2,185)**	-
Profit after tax for the year		**397,094**	133,148
Other comprehensive income			
Other comprehensive income for the year		-	-
Income tax relating to other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total Comprehensive Income for the year		**397,094**	133,148

The notes on pages no. 11 to 31 form part of these financial statements.

For 20 MICRONS (FZE)

For 20 MICRONS FZE

Director Authorised Signatory

20 MICRONS FZE P.O. BOX 120194 SAIF ZONE SHARJAH UAE

The independent auditor's report is set out on pages 4 to 7.

20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital	Retained Earnings	Total
	AED	AED	AED
Balance at 01 April 2023 (Note No.25)	150,000	234,102	384,102
Total profit for the year	-	133,148	133,148
Dividends declared	-	(367,250)	(367,250)
At 31 March 2024	150,000	-	150,000
Total profit for the year	-	397,094	397,094
At 31 March 2025	**150,000**	**397,094**	**547,094**

The independent auditor's report is set out on pages 4 to 7.

The notes on pages no. 11 to 31 form part of these financial statements.

TAX GIAN

20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Statement of Cash Flows

For the year ended 31 March 2025

	2025	2024
		Note No. 25
	AED	AED
Cash flows from operating activities:		
Profit before tax	397,094	133,148
Adjustments for non cash items:		
Financial expenses	20,929	27,380
Operating profit before working capital charges	418,023	160,528
Operating assets and liabilities		
Net movement in accounts receivable	(898,312)	132,343
Net movement in other receivables and prepayments	16,922	(13,123)
Net movement in accounts payable	357,746	87,157
Net movement in provisions and accrued expenses	(259,373)	275,630
Cash (used in) / generated from operations:	(364,994)	642,535
Net cash (used in) / generated from operating activities	(364,994)	642,535
Cash flows from investing activities		
Net cash flow from investing activities	-	-
Cash flows from financing activities		
Financial expenses	(20,929)	(27,380)
Net movement in shareholder current account	-	(367,250)
Dividends declared	(367,251)	-
Net cash (used in) financing activities	(388,180)	(394,630)
Net (decerease) / increase in cash and cash equivalents	(753,174)	247,905
Cash and cash equivalents beginning of the year	1,030,762	782,857
Cash and cash equivalents end of the year	277,588	1,030,762

The notes on pages no. 11 to 31 form part of these financial statements.
The independent auditor's report is set out on pages 4 to 7.

1 Legal status and principal activities

a) 20 MICRONS (FZE), ("the Establishment") is incorporated on 07 February 2011 as a Free Zone Establishment (with Limited Liability) and operates in the United Arab Emirates under a commercial license issued by the Sharjah Airport Free Zone, Government of Sharjah, Sharjah, United Arab Emirates.

b) The principal activities of the Establishment are unchanged since the previous year and consist of General Trading mainly dealing in clay.

c) The registered office of the Establishment is located at Executive Desk Q1-08-012/C, P. O. Box 120194, SAIF Zone, Sharjah, United Arab Emirates.

d) The management and control was vested with Mr. Atil Parikh Owners Representative and manager as per trade license.

e) These financial statements incorporate the operating results of the commercial license No.09022 which is valid unto 6th February 2026.

f) The shareholding pattern of the Establishment as on 31 March 2025 is as under :

Authorized, issued and paid up capital of the Establishment is AED 150,000 divided into 1 share of AED 150,000 each fully paid.

Name of shareholder	Nationality	No of shares	Amount	% of Holding
M/s. 20 Microns Limited	India	1	150,000	100
		1	150,000	100

2 Adoption of new International Financial Reporting Standards

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

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

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangement
- Amendments to IAS 1 Presentation of Financial Statements relating to Classification of Liabilities as Current or Non-Current
- Amendments to IAS 1 – Non-current Liabilities with Covenants
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
- IFRS S1 General Requirements for Disclosure of Sustainability Related Financial Information and IFRS S2 Climate Related Disclosures

2 Adoption of new International Financial Reporting Standards (Continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

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

- Amendments to IAS 21 – Lack of Exchangeability (1 January 2025)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold to an associate or a joint venture (The IASB postponed the effective date of this amendment indefinitely - Early adoption is permitted)
- Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability (1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7) (1 January 2026)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) (1 January 2026)
- IFRS 18 *Presentation and Disclosures in Financial Statements* (1 January 2027)
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (1 January 2027)

3 Basis of preparation

3.1 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2024, and to comply with the Emiri Decree No. 2 of 1995 issued in Sharjah on May 8, 1995 applicable to Sharjah Airport International Free Zone.

3.2 Basis of measurement

The financial statements are prepared using historical cost.

Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3 Basis of preparation (Continued)

3.3 Going concern

The financial statements are prepared on a going concern basis.

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

4 Significant accounting policies

The principal accounting policies are set out below:

4.1 Functional currency

These financial statements are presented in AED, which is the Establishment's functional currency.

4.2 Inventories

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

4.3 Revenue recognition

The Establishment is involved in General Trading mainly dealing in clay.

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

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

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

4 Significant accounting policies (continued)

4.3 Revenue recognition (continued)

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

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

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

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

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

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

The Establishment is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Sale of goods

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

The Establishment considers whether there are other promises in the contract that are separate performance obligations to which a portion of transaction price needs to be allocated.

The Establishment has concluded that revenue from sale of services should be recognised at a point in time.

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

4 Significant accounting policies (continued)

4.4 Leases

Short-term leases and leases of low-value assets

The Establishment applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value (i.e., below AED 18,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.5 Cash and cash equivalents

Cash and cash equivalents comprise bank current accounts and cash balance.

4.6 Foreign currency transactions

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

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

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

4.7 Provisions

General

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, 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, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

4 Significant accounting policies (continued)

4.8 Contingencies and commitments

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

4.9 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Establishment classifies all other liabilities as non-current.

4.10 Corporate tax in UAE

On 09 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MOF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

As the Establishment's accounting year ends on 31 March, the first tax period will be 01 April 2024 to 31 March 2025, with the first return to be filed on or before 30 December 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax.

4.11 Income and deferred tax

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

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

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

4.12 Financial instruments

Classification

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

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

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

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

Recognition

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

4 Significant accounting policies (continued)

4.12 Financial instruments (Continued)

Derecognition

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

- The contractual rights to receive cash flows expire or
- The Establishment has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Establishment has transferred substantially all the risks and rewards of the asset, or

(b) the Establishment has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Measurement

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

On initial recognition of an equity investment that is not held-for-trading, the Establishment may irrevocably elect to recognise subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes all derivative financial assets. On initial recognition, the Establishment may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income or at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

Financial assets

Financial assets at amortised cost

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

4 Significant accounting policies (continued)
4.12 Financial instruments (Continued)

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

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

The financial assets at amortised cost comprises of Account receivables ,other receivables and cash and cash equivalents.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

***Financial liabilities at* amortised cost**
Financial liabilities at amortised cost comprise of Accounts payables, shareholder current accounts and provisons and accruals.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. However, for financial liabilities that are designated at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effect of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

Impairment of financial assets
The Establishment recognises an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Establishment expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

4 Significant accounting policies (continued)
4.12 Financial instruments (Continued)

- 12-month expected credit loss: expected credit loss that result from possible default events within 12 months after the reporting date; and
- Lifetime expected credit losses: expected credit losses that result from all possible default events over the expected life of a financial instrument.
- The Establishment measures the loss allowance at an amount equal to lifetime expected credit losses, except for the following which are measured as 12-month expected credit losses:

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

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Establishment considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Establishment's historical experience and informed credit assessment and including forward looking information.
The Establishment assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

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

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

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Establishment is exposed to credit risk.

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset. For financial assets carried at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income, instead of reducing the carrying amount of the asset.

4 Significant accounting policies (continued)

4.12 Financial instruments (Continued)

Offsetting

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

Equity

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

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 4 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

5.1 Critical judgements in applying accounting policies

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of note 4.16). The Establishment determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Establishment monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Establishment's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

5 Critical accounting judgements and key sources of estimation uncertainty(Continued)

5.2 Key sources of estimation uncertainty

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Income tax

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

Deferred tax:

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

Impairment of financial assets

The loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 4.16.

6 Accounts receivable

	2025 AED	2024 AED
Accounts receivable	1,172,978	274,666
	1,172,978	274,666

a) Ageing analysis of accounts receivable:

	2025 AED	2024 AED
Due for less than 180 days	1,172,978	274,666
	1,172,978	274,666

b) Credit risk:

At the balance sheet date, four customers accounted for 100% (2024: 100%) of the total outstanding accounts receivable and as such, the Establishment has significant concentration of credit risk and AED 691,623 was received subsequent to balance sheet till 15 May 2025.

7 Other receivables and prepayments

	2025 AED	2024 AED
Prepayments	29,388	29,387
Advance paid to suppliers	-	16,923
	29,388	46,310

8 Cash and balance with banks

	2025 AED	2024 AED
Bank balances	277,588	1,030,762
	277,588	1,030,762

9 Share capital

Name of Shareholder	No. of shares	2025 AED	2024 AED
20 Microns Limited, India	1	150,000	150,000
		150,000	150,000

10 Retained Earnings

	2025	2024
		Restated
	AED	AED
Opening balance	-	234,102
Net profit for the year	397,094	133,148
Dividends declared	-	(367,250)
Closing balance	397,094	-

11 Shareholder's current account

	2025	2024
		Restated
	AED	AED
Opening balance	767,325	767,325
Dividends declared	-	367,250
Dividend paid	(367,251)	-
Net Movements during the year	-	(367,250)
	400,074	767,325

Breakup of shareholder's current accounts:

Name of owner	Balance at beginning of the year AED	Net Movements during the year AED	Balance at the end of the year AED
20 Microns Limited, India	767,325	(367,251)	400,074
	767,325	(367,251)	400,074

12 Accounts payable

	2025	2024
	AED	AED
Accounts payable	509,441	151,695
	509,441	151,695

Aging analysis of accounts payable:

	2025	2024
Due for less than 30 Days	-	141,319
Due for between 30 - 90 Days	509,441	10,376
	509,441	151,695

13 Provisions and accruals

	2025 AED	2024 AED
Advance received from customers	13,267	251,654
Accruals	7,893	31,064
Income tax provision **(Note No. 21)**	2,185	-
	23,345	282,718

14 Related parties transactions

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

Related parties comprise the parent company shareholder, directors, key management personnel and relatives thereof.

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

a) Nature of related party transaction

	2025 AED	2024 AED
Dividend paid to the shareholder	367,251	-

15 Revenue

	2025 AED	2024 AED
Sales	2,456,700	1,673,372
Freight and Insurance receipts	1,099,210	227,992
	3,555,910	1,901,364

		2025 AED	2024 AED
Sales within U.A.E		1,389,631	-
Sales outside U.A.E	: Asia	1,295,397	1,366,556
	: Africa	825,718	367,966
	: USA	45,164	87,075
	: GCC	-	79,767
		3,555,910	1,901,364

20 MICRONS (FZE)

Sharjah Airport International Free Zone, United Arab Emirates

Notes to the financial statements

For the year ended 31 March 2025

16 Cost of revenue

	2025 AED	2024 AED
Purchases (includes direct expenses related to sales transport)	3,044,382	1,650,901
	3,044,382	1,650,901

17 Administration expenses

	2025 AED	2024 AED
Rent	18,000	18,000
Legal, visa and taxes	23,082	28,439
Professional fees	9,839	11,827
Courier Charges	11,042	11,957
Miscellaneous Expenses	150	555
	62,113	70,778

18 Selling expenses

	2025 AED	2024 AED
Export Sales Commission	-	19,016
	-	19,016

19 Financial expenses

	2025 AED	2024 AED
Bank charges	20,929	27,380
	20,929	27,380

20 Other expenses

	2025 AED	2024 AED
Loss on Foreign Exchange	29,207	141
	29,207	141

21 Income tax expense

This note provides an analysis of the Establishment 's income tax expense and shows the amounts which are recognised directly in equity and the impact of tax expense which is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

	2025 AED	2024 AED
Income tax expense		
Current tax expense		
Current tax on profits for the year	2,185	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	2,185	-

Numerical reconciliation of income tax expense to prima facie tax payable is as follows:

	2025 AED	2024 AED
Profit before income tax expense	399,279	-
Add: Non-deductible expenditure:	-	-
Taxable Income subject to Corporate Tax	399,279	-
0% up to AED 375,000		
9% above AED 375,000	2,185	-
Total current tax expense	2,185	-

The Establishment's management is in the process of filling corporate tax return to Federal Tax Authority (FTA) to confirm that all corporate tax liabilities (if any) have been settled for the tax year ended 31 March 2025.

- Provided for outstanding corporate tax obligations in line with the UAE Corporate Tax Law (Federal Decree-Law No. 47 of 2022) and

- Determined deductible and non-deductible expenses in accordance with the law.

22 Financial instruments and risk management

Significant accounting policies

Details of significant policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 4 to the financial statements.

22 Financial instruments and risk management(Continued)

Categories of financial instruments

	2025 AED	2024 AED
Financial Assets at amortised cost		
Accounts receivable	**1,172,978**	274,666
Other receivables and prepayments	**29,388**	46,310
Cash and balance with banks	**277,588**	1,030,762
	1,479,954	1,351,738

	2025 AED	2024 AED
Financial Liabilities at amortised cost		
Shareholder's current account	**400,074**	767,325
Accounts payable	**509,441**	151,695
Provisions and accruals	**10,078**	31,064
	919,593	950,084

Fair value measurements

The fair values of financial assets and financial liabilities are determined as follows:

• The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.

• The fair values of other financial assets and financial liabilities are determined in accordance with accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Establishment takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their carrying values.

22 Financial instruments and risk management (continued)

Financial risk management

The Establishment's financial risk management policies set out the Establishment's overall business strategies and risk management philosophy. The Establishment's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Establishment. The management carries out overall financial risk management covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk and investing excess cash.

The Establishment's activity expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

The Establishment does not hold or issue derivative financial instruments for speculative purposes.

Interest risk

The company has no borrowings.

Market risk

The Establishment's activity expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Establishment's exposure to market risks or the manner in which it manages and measures the risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Establishment. As at 31 March 2025, the Establishment's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Establishment due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Establishment arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Establishment has tasked its management to develop and maintain the Establishment's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, management uses other publicly available financial information and the Establishment's own trading records to rate its major customers and other debtors. The Establishment's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

22 Financial instruments and risk management (continued)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Directors which has built an appropriate liquidity risk management framework for the management of the Establishment's short, medium and long-term funding and liquidity management requirements. The Establishment manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

23 Contingent liabilities

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on establishment's account as of balance sheet date.

24 Post balance sheet event

No transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial period and the date of this report, which is likely to affect, substantially the result of the operations or the financial position of the establishment.

25 Comparative amounts

Previous year's amounts with respect to the items listed below have been regrouped/reclassified as follows as it is considered that the revised grouping/classification, which has been adopted in the current accounting year, more fairly presents the state of affairs/results of operations.

Particulars	Previously stated balance as on 01 April 2023	Adjustments Dr / (Cr)	Restated balance as on 01 April 2023
Retained earnings	-	234,102	234,102
Shareholder current account	1,001,427	(234,102)	767,325

Note:
Retained earnings opening balance was adjusted to AED 234,102 which was transferred to shareholder current account in the previous years has now been adjusted back from the Shareholder current account.