

Redington Gulf FZE (Jordan)
(Private Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Financial Statements
and the Independent Auditor's Report
For the year ended March 31,2024

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(Private Shareholding Limited Company)
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Financial Statements and Independent Auditor's Report
For the year ended March 31, 2024

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Independent Auditor's Report

To, The Shareholders
Redington Gulf FZE (Jordan)
(Private Shareholding Limited Company)
Amman - the Hashemite Kingdom of Jordan

Opinion:

We have audited the financial statement of **Redington Gulf FZE (Jordan)** (the "Company") which comprises statement of financial position as of March 31, 2024 and the related financial statements of profit or loss, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and explanatory notes from 1 to 17.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and the results of its operations, changes in shareholders' equity for and its cash flows reports the year then ended according to the International Financial Reporting Standards.

Basis for Opinion:

We conducted our audit in accordance with the International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with 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 Hashemite Kingdom of Jordan, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter:

1- Without qualifying our opinion, we would like to draw attention to Note No. (1) of the financial statements, as the accumulated losses for the year ending March 31, 2024 amounted to (121,188) Jordanian dinars, which exceeds the fully paid-up capital, and this requires specific measures in accordance with paragraph (86) of Companies Law No. (22) of 1997 and its amendments, which stipulates that "If the Private Shareholding Limited Company suffers serious losses such that it becomes unable to fulfill its obligations to its creditors, its board of directors must invite the extraordinary general assembly of the company to a meeting to issue its decision either to liquidate the company, issue new shares, or any other decision that guarantees its ability to fulfill its obligations. The General Assembly can take a clear decision regarding this matter during two consecutive meetings. The Companies Control Department gives the company a month to take the required decision. If it is unable to do so, the company will be referred to the court for the purposes of its compulsory liquidation in accordance with the provisions of this law".

2- The deficit in the company's working capital amounted to 83,759 Jordanian dinars as of March 31, 2024. These matters are a fundamental indicator of the company's inability to continue, the management plan to address this deficit is set out in the clarification mentioned above.

Other Matter:

The financial statements for the year ended March 31 2023, have been audited by another auditor, who issued an unqualified opinion on July 31, 2023.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS and its interpretations as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 guarantee that an audit conducted in accordance with the 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 based on these financial statements.

As part of an audit in accordance with International Standards on Auditing ("ISAs"), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We 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.

We also provide those charged with governance with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report, because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (continued)

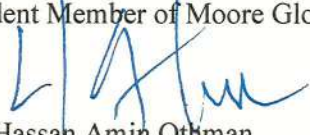
Report on Other Legal and Regulatory Requirements

The Company Redington Gulf FZE (Jordan) maintains duly organization accounting records for the financial year ending on March 31, 2024 and they agree in all material respects with the attached financial statements. We recommend that the general assembly approve them after taking in to consideration what is stated in the emphasis of matter paragraph regarding the accumulate losses.

Date: 11 June, 2024

Alothman Group International - Certified Public Accountants
(Independent Member of Moore Global)




Hassan Amin Othman
License No. (674)

Redington Gulf FZE (Jordan)
 (Private Shareholding Limited Company)
Statement of Financial Position
 as of March 31, 2024
 (Jordanian Dinars)

	Note	March 31, 2024	March 31, 2023
<u>Assets</u>			
Non-current assets:			
Property and equipment's	6	2,356	1,090
Right of use assets	7	25,860	15,037
Total non-current assets		28,216	16,127
Current assets:			
Inventory	8	1,127,851	112,340
Trade receivable		38,907	98,913
Prepaid expenses and other receivables	9	28,244	20,335
Cash and banks		419,955	66,901
Total current assets		1,614,957	298,489
Total Assets		1,643,173	314,616
<u>Shareholders' Equity and liabilities</u>			
Shareholders' Equity:			
Share capital	10	50,000	50,000
Statutory reserve	10	607	607
(Accumulated losses)/ Retained earnings		(121,188)	4,080
Total Shareholders' Equity		(70,581)	54,687
Liabilities:			
Non-current liabilities:			
Lease liabilities non-current	7	15,038	9,862
Total non-current liabilities		15,038	9,862
Current liabilities:			
Trade payables		1,354,460	938
Accruals and other payables	11	59,943	7,761
Due to related parts	12	274,232	235,681
Lease liabilities - current	7	10,081	5,687
Provision for income tax	13	-	-
Total current liabilities		1,698,716	250,067
Total liabilities		1,713,754	259,929
Total Shareholders Equity and liabilities		1,643,173	314,616

The accompanying notes from 1 to 17 are an integral part of these financial statements

Redington Gulf FZE (Jordan)
 (Private Shareholding Limited Company)
Statement of Profit or Loss
For the year ended March 31, 2024
 (Jordanian Dinars)

		For the period from
		Inception on October 10,
	Note	2021 to March 31, 2023
		March 31, 2024
Revenue		3,702,795
Cost of sales		(3,598,896)
Gross profit		103,899
General and administrative expenses	14	(225,374)
(loss) / Income from operations		(121,475)
Finance cost		(3,793)
Net (loss) / profit before tax		(125,682)
Income tax charge	13	-
Net (loss) / profit for the year		(125,268)

The accompanying notes from 1 to 17 are an integral part of these financial statement

Redington Gulf FZE (Jordan)
 (Private Shareholding Limited Company)
Statement of Changes in shareholders' Equity
For the year ended March 31, 2024
 (Jordanian Dinars)

	Share Capital	Statutory Reserve	(Accumulated losses) / Retained Earnings	Total
<u>2023</u>				
Issuance of share capital	50,000	-	-	50,000
Net income for the year	-	-	4,687	4,687
Transfer to statutory reserves	-	607	(607)	-
<u>2024</u>				
Balance as at March 31, 2023	50,000	607	4,080	54,687
Net loss for the year	-	-	(125,268)	(125,268)
Balance as of March 31,2024	<u>50,000</u>	<u>607</u>	<u>(121,188)</u>	<u>(70,581)</u>

The accompanying notes from 1 to 17 are an integral part of these financial statements

Redington Gulf FZE (Jordan)
 (Private Shareholding Limited Company)
Statement of Cash Flows
For the year ended March 31, 2024
 (Jordanian Dinars)

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Cash flow from Operating Activities:		
Net (loss) / profit before income tax	(125,268)	6,066
Adjustments to reconcile net profit before income tax to net cash flows used in operating activities:		
Allowance for slow moving goods	80,269	-
Depreciation of property and equipment	1,021	212
Depreciation of right-of-use assets	6,930	5,820
Financing costs	3,793	1,292
	<u>(33,255)</u>	<u>13,390</u>
changes in working capital:		
Inventories	(1,095,780)	(112,340)
Trade and other receivables	58,546	(112,744)
Due to related parties	38,551	235,681
Trade and other payable	1,405,704	8,699
Income tax paid	(6,449)	(7,883)
Net cash flow provided by operating activities	<u>367,317</u>	<u>24,803</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(2,287)	(1,302)
Cash flows used in investing activities	<u>(2,287)</u>	<u>(1,302)</u>
Cash Flows from Financing Activities:		
Repayment of principal portion of lease liabilities	(9,100)	(6,600)
Paid share capital	-	50,000
Finance cost	(2,876)	-
Net cash flows (used in)/ provided by financing activities	<u>(11,976)</u>	<u>43,400</u>
Net cash provided during the year	<u>353,054</u>	<u>66,901</u>
Cash in hands and at banks at the beginning of the	66,901	-
Cash in hands and at banks at the end of the year	<u>419,955</u>	<u>66,901</u>

The accompanying notes from 1 to 17 are an integral part of these financial Statements

Redington Gulf FZE (Jordan)
(Private Shareholding Limited Company)
Notes to the Financial Statements
For the year ended March 31, 2024

1- Legal Status and Activities

- Redington Gulf FZE (Jordan) (“the Company”) is registered in Amman, Jordan, as private shareholding company under commercial license no. 1407.
- The registered address of the Company is Amman, Jordan. The Company was incorporated on 10 October 2021. The principal activity of the Company are as follows:
 - Import and export activities.
 - Wholesale trade of computer devices, their equipment, accessories, and software.
 - Trade of computer devices, computer equipment, and computer peripherals, ancillary and spare parts, and software for the same.
- The Company is owned by Platinum Business Mountains for Commercial Investments (Jordan) and Redington Gulf FZE (UAE).

The accumulated losses for the year ending on March 31, 2024 amounted to (121,188) Jordanian dinars, which exceeds the fully paid-up capital. This requires specific procedures in accordance with Paragraph (86) of Companies Law No. (22) of 1997, as amended, which states: “If the Private Shareholding Limited Company suffers serious losses such that it becomes unable to fulfill its obligations to its creditors, its board of directors must invite the extraordinary general assembly of the company to a meeting to issue its decision either to liquidate the company, issue new shares, or any other decision that guarantees its ability to fulfill its obligations. The General Assembly can take a clear decision regarding this matter during two consecutive meetings. The Companies control Department gives the company a month to take the required decision. If it is unable to do so, the company will be referred to the court for the purposes of its compulsory liquidation in accordance with the provisions of this law.”. The company's working capital deficit amounted to 83,759 Jordanian dinars as of March 31, 2024. These matters are a fundamental indicator of the company's inability to continue.

The company's plan to correct the working capital situation is through financial support from all partners. The partners pledged full financial support to the company to continue its operational activity and increase the company's ability to meet its short-term obligations for a period of at least 12 months from the date of these financial statements.

2- Basis of Preparation:

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and its interpretations as issued by the International Accounting Standards Board (“IASB”).

The financial statements are presented in Jordanian Dinar which represents the functional currency of the Company's activities.

The preparation of the financial statements in accordance with IFRS require the use of some significant accounting estimates and requires the Company's Management to practice judgments in implementation of the accounting policies. The disclosure of significant estimates and assumption, carried in the preparation of these financial statements, are disclosed in the paragraph of “Significant accounting estimates and assumptions “hereunder”.

3- Adoption of new and revised standards

A. New and amended IFRS Standards that are effective for the current year:

- IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17) Supersedes IFRS 4 Insurance Contracts.
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies.
- Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition.

Redington Gulf FZE (Jordan)
(Private Shareholding Limited Company)
Notes to the Financial Statements
For the year ended March 31, 2024

3- Adoption of new and revised standards (continued):

B. New and revised IFRS Accounting Standards in issue but not yet effective:

Standard	Effective date
Amendments to IFRS 10 Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Has not yet been determined, with early application permitted
Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current	On or after 1 January 2024, with early application permitted
Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants	On or after 1 January 2024, with early application permitted
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements.	On or after 1 January 2024, with early application permitted
Amendment to IFRS 16 Leases -Lease Liability in a Sale and Leaseback.	On or after 1 January 2024, with early application permitted
IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information	On or after 1 January 2024, with early application permitted
IFRS S2 - Climate Related Disclosures	On or after 1 January 2024, with early application permitted

4- Significant Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with IFRS requires the use of judgments, estimates and assumptions that may impact the value of revenues, expenses, assets, and liabilities and attached notes besides disclosure of liabilities. The uncertainty in respect of these assumptions and estimates may require material adjustment to the carrying amount of asset or liability affected in future periods.

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 described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in these financial statements:

4- Significant Accounting Estimates and Assumptions (continued)

A- Going concern:

The Company's management has no significant doubt about the Company's ability to continue and therefore the consolidated financial statements have been prepared on going concern basis.

B- Estimated life of property and equipment:

The cost of property and equipment are depreciated over the expected service life which has been estimated based on the expected usage and obsolescence of each, as well as technology advancements and considerations of residual value of the assets. The Company's management did not estimate any residual value of the its assets considering them insignificant.

C- Provision for expected credit losses:

The provision of expected credit losses is determined by reference to a group of elements to ensure that receivables balances are not overstated because of non-collection, including quality and age of the receivables, the ongoing credit evaluation of customer's financial conditions and guarantees required from customers certain circumstances.

D- Measurement of fair value:

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

A fair value measurement of a non-financial asset considers 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in these financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

Fair value measurement for unquoted AFS financial assets, and for non-recurring measurement, such as assets held for distribution in discontinued operation, are evaluated on a periodic basis.

To fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

5-Significant Accounting Policies:

All accounting policies followed in preparing the financial statements are the same as these followed in preparing annual financial statements as of March 31, 2023.

Financial Instruments

Classification and Measurement:

The classification of financial assets depends on the business model of the Company to manage its financial assets and contractual terms of cash flows. The Company classifies its financial assets as follows:

- Financial assets measured at amortized cost.
- Financial assets measured at Fair value through profit or loss, statements.
- Financial assets measured at Fair value through other comprehensive income, statements.

Gains or losses on assets measured at fair value are recognized either through profit or loss statements or through other comprehensive income statements. Loans and trade receivables held to collect contractual cash flows are expected to result in cash flows that represent only principal and commission repayments and measured at amortized cost.

Initial measurement:

Financial assets are initially measured at their fair value plus transaction costs as in the case of financial assets not carried at fair value through profit or loss, statements. Transaction costs of financial assets carried at fair value through statement of income or loss are recognized at fair value through profit or loss statements and other Comprehensive Income, statements.

Financial assets that include derivatives are fully recognized when determining whether their cash flows meet the requirements of being the principal and commission amount only.

Property, and equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of acquiring assets includes all costs directly attributable to the acquisition transaction. The cost of assets that are manufactured includes the cost of materials and direct labor and all direct costs that make the assets ready for the purpose for which they were intended. The cost of dismantling, installing, and transporting the assets and the cost of preparing the site in which they will be placed are also added, in addition to the borrowing costs allocated to assets eligible for capitalization.

Purchased software that is an integral part of the functionality of the relevant hardware is also capitalized as part of that hardware. If a significant portion of a component of an asset within property and equipment has a useful life different from that of that asset, it is a separate component from property and equipment.

A-Recognition and measurement

Any revenue or loss incurred because of the disposal of any item of property and equipment is recognized in the statements of profit or loss and other comprehensive income. The cost of replacing any part of an item of property and equipment and any other subsequent expenditure is capitalized to the carrying amount when it increases future productive benefits to the Company and its cost can be measured reliably. The book value of the replaced asset is written off. Daily maintenance expenses for property and equipment are recognized in the statement of profit or loss.

5-Significant Accounting Policies (continued):

Property, and equipment (continued)

A- Subsequent capital expenditure:

Replacement cost of a part of an item in property, and equipment and any other subsequent capital expenditure is recognized at the book value if:

- It is probable that the future economic benefits will flow to the Company due to the added part, expense or cost incurred.
- Its cost can be measured reliably. The book value of the asset that was replaced shall be written off.

B- Depreciation:

Depreciation is calculated at cost less the residual value by adopting straight-line method over the useful life of the assets in accordance with the following table:

<u>Item</u>	<u>Percentage of depreciation</u>
Warehouse-equipment	20%
Computers	33.33%

The residual values, useful lives, and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Revenue Recognition:

The Company recognizes revenue from contracts with customer based on five step model as set out in IFRS 15 – Revenue from contracts with customer, as follows:

- Step 1: Identify contracts or contracts with customers.
- Step 2: Defining performance obligations (duties) in the contract.
- Step 3: Determine the transaction price according to the terms of contract.
- Step 4: Charge (distribute) the transaction price to the performance obligation in the contract
- Step 5: Revenue recognition when the entity performs the performance requirements.

The following specific recognition criteria must also be met before revenue is recognized:

- **Service contracts:**
Revenue from service contracts is recognized in the accounting period in which the service is rendered.
- **Gain or losses resulted from disposal of property and equipment:**
The gain and losses resulted from disposal of properties, plants and equipment is recognized in the statement of profit or loss on the period by which any of those assets is sold.
- **Recovery of expected credit losses:**
Recovery of credit losses is recognized in the statement of profit or loss and as reduction from provision of credit loss provision upon collection.
- **Other revenues:**
The other revenues are recognized in the statement of profit or loss when the conditions of its realization are fulfilled.

Redington Gulf FZE (Jordan)
(Private Shareholding Limited Company)
Notes to the Financial Statements
For the year ended March 31, 2024

5-Significant Accounting Policies (continued):

Leases

The Company as lessee

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives; using
- Variable lease payments that depend on an index or rate, initially measured the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

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

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use of assets are presented as a separate line item in the statement of financial position.

5-Significant Accounting Policies (continued):

Leases (continued):

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other expenses' in the statement of profit or loss and other comprehensive income.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient

General and Administrative expenses:

General and administrative expenses include expenses related to management, and not related to cost of revenues or selling and marketing. Allocations between cost of revenues, general and administrative expenses, when required, are made on consistent basis.

Provision for Income Tax:

The Company takes a provision for income tax in accordance with Income Tax Law No. (34) of 2014, and in accordance with IAS (12), where this standard provides for recording deferred tax resulting from the difference between the accounting and tax value of assets and liabilities.

Accrued taxes are calculated based on taxable profits. The taxable profits differ from the profits declared in the financial statements because the declared profits include non-taxable revenues or non-deductible expenses in the current financial period, but in subsequent years. or accumulated taxable losses or that are not subject to or deductible for tax purposes.

Provisions

Provisions are recognized when obligations arise from the company, whether these obligations are legal or constructive because of a past event, and it is probable that the company will be required to settle these obligations and it is possible to make a reliable estimate of the amount of these obligations. The amount recognized as a provision is the best estimate of the current obligations required to be settled at the end of the year covered by the financial statements, considering the risks and uncertainty (doubts) that may surround these obligations.

Foreign currency transactions:

Foreign currency Transactions in foreign currencies during the year are recorded in Jordanian dinars based on the exchange rates prevailing on the date of these transactions. Monetary assets and liabilities recorded in foreign currencies are valued at the end of the year based on the exchange rates for these currencies on that date. Differences resulting from changes in exchange rates are treated in the statement of profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at their historical cost are translated using the historical exchange rates at the time the transaction occurs. As for non-financial assets and liabilities that are measured at fair value, they are translated using the exchange rates on the date the fair value is determined. Gains and losses on currency differences resulting from the translation of these assets and liabilities are treated in the same way as profits or losses arising from changes in fair value (i.e., for items for which gains or losses from changes in fair value are transferred to the statement of profit or loss, their translation differences are transferred to the statement of profit or loss, respectively.

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6-Property and Equipment

	<u>Warehouse- equipment</u>	<u>Computers</u>	<u>Total</u>
<u>Cost</u>			
Balance as of March 31, 2023	-	1,302	1,302
Additions	1,107	1,180	2,287
Balance as of March 31, 2024	<u>1,107</u>	<u>2,482</u>	<u>3,589</u>
<u>Accumulated Depreciation</u>			
Balance as of March 31, 2023	-	(212)	(212)
Charge for the year	(330)	(691)	(1,021)
Balance as of March 31, 2024	<u>(330)</u>	<u>(903)</u>	<u>(1,233)</u>
Net Book value:			
As of March 31, 2024	<u>777</u>	<u>1,579</u>	<u>2,356</u>
As of March 31, 2023	<u>-</u>	<u>1,090</u>	<u>1,090</u>

7- Leases

A. Right of Use Assets

	<u>Amount</u>
<u>Cost</u>	
Balance as of March 31, 2023	20,857
Additions	17,753
Balance as of March 31, 2024	<u>38,610</u>
<u>Accumulated Amortization</u>	
Balance as of March 31, 2023	(5,820)
Charge for the year	(6,930)
Balance as of March 31, 2024	<u>(12,750)</u>
Net Book value:	
As of March 31, 2024	<u>25,860</u>
As of March 31, 2023	<u>15,037</u>

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7- Lease (continue)

B- Lease Liabilities

	<u>Amount</u>
Liabilities:	
Balance as of March 31, 2023	15,549
Additions	17,753
Financing cost	917
Paid during the year	(9,100)
Balance as of March 31, 2024	<u>25,119</u>
Lease liability maturity profile is as follows:	
Less than one year	10,081
One to five years	15,038
More than five years	-
	<u>25,119</u>

8- Inventory

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Goods held for sale	1,208,120	107,679
Goods in transit	-	4,661
Allowance for slow moving goods	(80,269)	-
	<u>1,127,851</u>	<u>112,340</u>

Movement on the allowance for slow moving goods:

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Opening balance	-	-
Provided during the year	80,269	-
Ending balance	<u>80,269</u>	<u>-</u>

9- Prepaid Expenses and Other Receivables

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Advance Income tax payment (Note 13)	12,953	6,504
Prepaid Expenses	11,505	120
Value added tax	2,686	12,200
Refundable deposit	1,100	1,100
Advance to suppliers	-	411
	<u>28,244</u>	<u>20,335</u>

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10- Share Capital

A. Capital

Authorized and fully paid-up share capital of the company 50,000 Jordanian dinars consisting of, 50,000 shares of 1 Jordanian Dinar for each share, distributed among the partner as follows:

	<u>Number of shares</u>	<u>Share Value</u>	<u>March 31, 2024</u>
Platinum Business Mountains for commercial Investments - Jordan	25,005	1	25,005
Redington Gulf FZE - UAE	24,995	1	24,995
	<u>50,000</u>		<u>50,000</u>

B. Statutory reserve

As required by the Jordanian Companies laws, 10% of the Company's income before tax is to be transferred to the statutory reserve up to 100% of the total paid-up capital. The statutory reserve is not available for distributions.

11- Accruals and Other Payables

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Accrued expenses	56,669	7,423
Other payables	3,274	338
	<u>59,943</u>	<u>7,761</u>

12- Related Party Transaction

<u>Related party</u>	<u>Nature of relationship</u>	<u>Nature of transactions</u>	<u>2024</u>	<u>2023</u>
A) Due from related parties:				
Redington Gulf FZE - UAE	Partner	Financing & Trading	274,32	235,681
			<u>274,32</u>	<u>235,681</u>

Related parties represent partners and key management personnel of the Branch, and entities controlled or significantly influenced by such parties. Pricing policies and terms of payments of transactions with related parties are approved by management.

<u>Related party</u>	<u>Purchases</u>	<u>Insurance</u>	<u>Recharge of back-Office support service and payment</u>
Redington Gulf FZE - UAE	340,464	1,651	2,606

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13- Income Tax Provision

The income tax provision for the period from inception on October 10, 2022 to March 31,2023, was calculated in accordance with the income tax No. (34) of 2014 (as amended)

The statutory tax rate applied to the company for the period from inception on October 10, 2022 to march 31, 2023 is 20% in addition to 1% representing national contribution tax.

The company's business results for this year end March 31,2024 show a loss of JD 125,268 therefore no income tax provision has been made for this year.

The movement on income tax provision is as follows

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Balance at the beginning of the year	(6,504)	-
Income tax for the year	-	1,379
Tax payment during the year	(6,449)	(7,883)
Advance Income tax payment (note 9)	(12,953)	(6,504)
provision for income tax	-	-

14- General and Administrative Expenses

	<u>March 31,</u> <u>2024</u>	<u>For the period</u> <u>from inception</u> <u>On October 10,</u> <u>2022 to March 31,</u> <u>2023</u>
Employee benefits expenses	65,535	28,876
Allowance for slow moving goods	80,269	-
Consultancy expenses	30,851	8,292
Depreciation expenses	7,951	6,032
Legal and professional charges	7,207	3,600
Transportation expense	5,784	180
Warehouse expense	5,259	658
Repairs and maintenance	2,060	2,239
Advertising costs	709	355
Rent	-	2,750
Miscellaneous	19,749	7,313
	<u>225,374</u>	<u>60,295</u>

15- Financial Risk Management

Fair value:

Is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transactions. As the Company's financial instruments are compiled under the historical cost method, differences can arise between the book amounts and the fair value estimates. Management believes that fair values of the Company's financial assets and liabilities are not materially different from their carrying values.

Credit risk:

Is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. There is no major risk on the Company regarding credit risk. The Company's bank accounts placed with reputed financial institutions. Trade receivables are stated at net of allowance for impairment estimated by the management based on prior experience and current economic environment.

Currency risk:

Is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's transactions are predominantly in Jordan Dinar, Euros, and United States Dollars. Transaction conducted in Euros are not high in materiality. Furthermore, the Jordan Dinar relates to the United States Dollar therefore the currency risk is being well managed by the Company.

Liquidity risk:

Is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's management monitors liquidity requirements on a regular basis and ensures that sufficient funds are available to meet any future commitments.

16- Comparative Figures

Certain comparative figures for the previous year have been reclassified to conform to the presentation used for the current year.

17- Approval Of Financial Statements

These financial statements were approved by the Board of Directors on 11 June, 2024.