ENSURE GULF FZE

SEPARATE FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 MARCH 2026

ENSURE GULF FZE

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YEAR ENDED 31 MARCH 2026

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of ENSURE GULF FZE

Report on the Audit of the Separate Financial Statements

Opinion

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

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

Basis for Opinion

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

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

Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for their compliance with the Jebel Ali Free Zone Companies Implementing Regulations 2016 and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT
(continued)

In preparing the separate 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 but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Establishment to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT
(continued)

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

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

Report on Other Legal and Regulatory Requirements
We further confirm that the separate financial statements comply with the applicable provisions of the Jebel Ali Free Zone Companies Implementing Regulations 2016.

For **PKF – Chartered Accountants (Dubai Br)**

Lalwani

AUDITORS PKF U.A.E.

Saranga Lalwani
Partner
Registration no. 5468
Dubai
United Arab Emirates
19 JUN 2026

ENSURE GULF FZE

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	2026 AED	2025 AED
Assets			
Non-current assets			
Property, plant and equipment	6	6,747	14,832
Intangible assets	7	--	--
Investment in subsidiary	8	150,000	150,000
		156,747	164,832
Current assets			
Trade and other receivables	9	10,561,425	12,078,899
Other current assets	10	834,986	971,977
Due from related parties	11	30,094,415	23,628,444
Cash and cash equivalents	12	3,080	105,455
		41,493,906	36,784,775
Total assets		41,650,653	36,949,607
EQUITY AND LIABILITIES			
Equity			
Share capital	13	1,000,000	1,000,000
Re-measurement of defined benefit obligation		470,319	463,962
Retained earnings		16,470,835	16,326,323
		17,941,154	17,790,285
Non-current liabilities			
Provision for staff end-of-service benefits	14	472,061	419,980
Current liabilities			
Trade and other payables	15	1,551,279	2,990,643
Other current liabilities	16	2,643,181	1,500,059
Due to related parties	11	19,010,093	13,801,654
Current tax liabilities	22	32,885	446,986
		23,237,438	18,739,342
Total liabilities		23,709,499	19,159,322
Total equity and liabilities		41,650,653	36,949,607

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

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

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

Approved and authorised for issue by the shareholder on 19 JUN 2026 and signed on their behalf by Mr. Prasanth Pookot Kayapurath Kannanunni.

For ENSURE GULF FZE

MANAGER

AUDITORS PKF U.A.E.

ENSURE GULF FZE

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

	Notes	2026 AED	2025 AED
Revenue	18	**32,784,518**	29,122,545
Direct costs		**(27,330,253)**	(21,252,397)
Gross profit		**5,454,265**	7,870,148
Other operating income	19	**4,772,014**	11,211,635
General and administrative expenses	20	**(9,414,037)**	(13,307,434)
Impairment of trade receivables	9	**(652,719)**	(1,120,321)
Finance costs	21	**(18,523)**	(18,499)
PROFIT BEFORE TAX		**141,000**	4,635,529
Income tax benefit/(expense)	22	**3,512**	(445,204)
PROFIT FOR THE YEAR		**144,512**	4,190,325
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain on defined employee benefit plan	14	**6,985**	18,551
Income tax expense	22	**(628)**	(1,782)
Other comprehensive income for the year		**6,357**	16,769
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**150,869**	4,207,094

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

AUDITORS PKF U.A.E.

ENSURE GULF FZE

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

		Share capital	Re-measurement of defined benefit obligation	Retained earnings	Total
		AED	AED	AED	AED
Balance as at 1 April 2024		1,000,000	447,193	12,135,998	13,583,191
Comprehensive income					
- Profit	(a)	--	--	4,190,325	4,190,325
- Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss	(b)				
Actuarial gain on defined employee benefit plan		--	16,769	--	16,769
Total comprehensive income for the year	(a)+(b)	--	16,769	4,190,325	4,207,094
Balance as at 31 March 2025		1,000,000	463,962	16,326,323	17,790,285
Comprehensive income					
- Profit	(c)	--	--	144,512	144,512
- Other comprehensive income	(d)				
- *Items that will not be reclassified subsequently to profit or loss*					
Actuarial gain on defined employee benefit plan		--	6,357	--	6,357
Total comprehensive income for the year	(c)+(d)	--	6,357	144,512	150,869
Balance as at 31 March 2026		**1,000,000**	**470,319**	**16,470,835**	**17,941,154**

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

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

AUDITORS PKF U.A.E.

ENSURE GULF FZE

SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	2026 AED	2025 AED
Cash flows from operating activities		
Profit before tax	141,000	4,635,529
Adjustments for:		
Depreciation of property, plant and equipment	7,242	17,154
Impairment of trade receivables (net)	652,719	1,120,321
Write back of amount due to related party	(762,506)	--
Provision for staff end-of-service benefits	40,543	48,031
Finance cost	18,523	18,499
	97,521	5,839,534
Changes in:		
- Trade and other receivables	864,755	(6,557,298)
- Other current assets	136,991	(106,060)
- Trade and other payables	(1,439,364)	1,796,071
- Other current liabilities	1,143,122	(852,078)
Staff end-of service benefits paid	--	(15,671)
Income tax paid	(411,217)	--
Net cash from operating activities	391,808	104,498
Cash flows from investing activities		
Payments for property, plant and equipment	--	(7,584)
Payments to related parties (net)	(6,465,128)	11,307,017
Net cash (used in)/from investing activities	(6,465,128)	11,299,433
Cash flows from financing activities		
Dividend paid		--
Receipts from related parties (net)	5,970,945	(11,677,359)
Net cash from/ (used in) financing activities	5,970,945	(11,677,359)
Net decrease in cash and cash equivalents	(102,375)	(273,428)
Cash and cash equivalents at beginning of year	105,455	378,883
Cash and cash equivalents at end of year (note 12)	3,080	105,455
Non-cash activities include:		
Transfer of provision for staff end-of-service benefits (to)/from a related party	--	(22,678)

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

AUDITORS PKF U.A.E.

1. **REPORTING ENTITY**

a) **ENSURE GULF FZE** (the "Establishment") with industrial license No. 132987 is a Free Zone Establishment with limited liability incorporated on 25 July 2012 in the Jebel Ali Free Zone, Dubai, United Arab Emirates (U.A.E.) in accordance with the Implementing Regulations No. 1/93 issued pursuant to Law No. 2 of 1986 (repealed by Jebel Ali Free Zone Companies Implementing Regulations 2016). The registered address is Plot No. S30902, Jebel Ali Free Zone, Dubai, U.A.E.

b) The principal activity of the Establishment is computer software trading, networking services provisioning, and providing technical support for the products the group trades.

c) The Establishment is a wholly owned subsidiary of Redington Gulf FZE ('parent company'), a company registered in Jebel Ali Free Zone, Dubai and the ultimate parent company is Redington Limited, India.

d) These financial statements are the separate financial statements of the Establishment. The Establishment has availed the exemption of IFRS 10, wherein the Establishment will not prepare consolidated financial statements, as the Establishment and its subsidiary are included by full consolidation, in the consolidated financial statements of its parent company which are available for public use. The consolidated financial statements of parent company can be obtained from its registered office at P.O Box: 17266, Plot No: S30902, Jebel Ali Free Zone, Dubai, United Arab Emirates.

2. **BASIS OF PREPARATION**

a) **Statement of compliance**

The separate financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 April 2025, and the requirements of the Jebel Ali Free Zone Companies Implementing Regulations 2016.

b) **Basis of measurement**

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

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

c) **Going concern**

The separate financial statements are prepared on a going concern basis.

When preparing the separate financial statements, management makes an assessment of the Establishment's ability to continue as a going concern. Separate 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.

d) **Functional and presentation currency**

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

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

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

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

- Amendments to IAS 21 – Lack of Exchangeability

New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted

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

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

3. **MATERIAL ACCOUNTING POLICIES**

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

a) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated from the date the asset is available for use until it is derecognised, using the straight-line method over the estimated useful life of 3-5 years of furniture, fixtures and office equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the expenditure will flow to the Establishment and such cost can be measured reliably. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Establishment recognises such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of replaced parts is derecognised.

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

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

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

b) **Intangible asset**

Intangible assets are stated at cost less accumulated amortisation and impairment losses. The cost of computer software is amortised over 3 years.

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

c) **Impairment of tangible and intangible assets**

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

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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

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d) **Investment in subsidiary**

Subsidiaries are entities over which the Establishment exercises control. Control is achieved when the Establishment is exposed, or has rights, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The investment in subsidiary is accounted for at cost less impairment losses, if any. Consolidated financial statements of the Establishment and its subsidiary are included in the consolidated financial statements of the parent company.

e) **Staff benefits**

The Establishment operates a defined benefit plan. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The establishment's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Establishment's gratuity plan is unfunded, the defined benefit obligation of which is determined annually by a qualified actuary using the projected unit credit method at each reporting date. Re-measurement of defined benefit obligation, which comprises of actuarial gains and losses are recognised in other comprehensive income in the period in which they occur. The Establishment determines the net interest expenses on the net defined benefit obligation, taking into account any changes in the defined benefit liability during the period as a result of contribution and benefit payments. Net interest expenses related to defined benefit plan are recongised in "finance cost" in the separate statement of profit or loss.

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

f) **Revenue recognition**

The Establishment is in the business of providing technical support.

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.

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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.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. The 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.

Repairs and maintenance and other services

Revenue from repairs and maintenance and other services are recognised at a point in time on completion of the services rendered to the customer.

Revenue from annual maintenance contracts

Revenue from annual maintenance contracts are recognised on a straight-line basis over the period of contract.

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g) **Leases**

As a lessee

The Establishment has taken office premises on lease. Rental contracts are typically made for fixed periods of 12 months but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants.

Short-term leases

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). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

h) **Cash and cash equivalents**

Cash and cash equivalents represent balance in bank current accounts.

i) **Foreign currency transactions**

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

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

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

j) **Provisions**

General

A provision is recognised when the 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, it's carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

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k) **Contingencies and commitments**

Contingent liabilities are not recognised in the separate 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 separate financial statements but disclosed when an inflow of economic benefits is probable.

l) **Value added tax**

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

The Establishment pays Value Added Tax (VAT) on every taxable supply and deemed supply, in accordance with the applicable commercial VAT laws. Non-recoverable input VAT is charged to the relevant expenditure category or included in costs of non-current assets. The Establishment files its VAT returns and computes the payable tax (which is output tax less input tax) for the allotted tax periods and deposits the same within the prescribed due dates of filing VAT return and tax payment. VAT receivable and VAT Payable are offset and the net amount is reported in the separate statement of financial position as the Establishment has a legally enforceable right to offset the recognised amounts and has the intention to settle the same on net basis.

m) **Income and deferred tax**

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

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for non-deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the separate 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.

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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.

n) **Current versus non-current classification**

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in 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 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.

o) **Financial instruments**

Classification

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

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 them.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrumental level.

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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 cashflows, selling the financial assets, or both.

Financial liabilities are classified as financial liabilities at FVTPL 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.

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 FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

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.

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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 comprise of trade and other receivables, due from related parties and cash and cash equivalents.

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

Financial liabilities at amortised cost comprise of trade and other payables and due to related parties.

Impairment of financial assets
The Establishment recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the 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.

Loss allowances are measured on either of the following basis:

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

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

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

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The Establishment has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs. 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 ECLs, 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 90 days past due.

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

- The customer 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 365 days past due.

The maximum period considered when estimating ECLs 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.

Offsetting

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

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Equity
Share capital is recorded at the value of proceeds received towards interest in share capital of the Establishment.

p) **Fair value measurement**
The Establishment also discloses the fair value of financial instruments measured at amortised cost.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

q) **Events after the reporting period**
If the Establishment receives information after the reporting period, but prior to the date of authorisation for issue of the separate financial statements, about conditions that existed at the end of the reporting period, it assesses whether the information affects the amounts that it recognises in its separate financial statements. The Establishment adjusts the amounts recognised in its separate financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Establishment does not change the amounts recognised in its separate financial statements, but discloses the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

4. **JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**
Following are the judgments made in applying accounting policies that affect the application of the Establishment's accounting policies and the amounts recognized in the separate financial statements:

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

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Impairment

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

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

Recognition of revenue and allocation of transaction price

Identification of performance obligations

The Establishment determined that the services are provided as a single component to customers and accordingly it becomes single performance obligation.

Determine timing of satisfaction of performance obligation

The Establishment concluded that revenue from repairs and maintenance and other services are to be recognised at a point in time on completely rendering the services. Revenue from annual maintenance contracts are recognized on a straight time basis over the duration of contract and hence recognized over time.

5. **KEY SOURCES OF ESTIMATION UNCERTAINTY**

Following are the key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Establishment's risk management. Revisions to estimates are recognised prospectively.

Carrying values of property, plant and equipment

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

Impairment

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

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Impairment of financial assets

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

Staff end-of-service benefits

The Establishment computes the provision for the liability to staff end-of-service benefits stated at AED 472,061 (previous year AED 419,980) covering all eligible employees. The amount of provision in the current year is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include determination of discount rate; future salary increases, mortality and withdrawal rate. Due to the complexity of valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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 separate 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.

Geopolitical uncertainty

The Establishment operates in an environment affected by ongoing geopolitical developments. Management has assessed the potential impact on operations and financial position and concluded that, as at the reporting date, there is no material effect. The situation continues to be monitored, and actual results may differ from the judgments and estimates reflected in these separate financial statements.

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6. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures AED	Computers AED	Office equipment AED	Total AED
Cost				
At 1 April 2024	41,718	40,454	73,287	155,459
Additions	--	7,584	--	7,584
Transfer to a related party	(1,068)	--	--	(1,068)
At 31 March 2025	40,650	48,038	73,287	161,975
Transfer to a related party	--	(9,908)	--	(9,908)
At 31 March 2026	**40,650**	**38,130**	**73,287**	**152,067**
Accumulated depreciation				
As at 1 April 2024	33,639	23,633	73,287	130,559
Depreciation	7,581	9,573	--	17,154
Transfer to a related party	(570)	--	--	(570)
At 31 March 2025	40,650	33,206	73,287	147,143
Depreciation	--	7,242	--	7,242
Transfer to a related party	--	(9,065)	--	(9,065)
At 31 March 2026	**40,650**	**31,383**	**73,287**	**145,320**
Carrying amount				
At 1 April 2024	8,079	16,821	--	24,900
At 31 March 2025	--	14,832	--	14,832
At 31 March 2026	**--**	**6,747**	**--**	**6,747**

7. INTANGIBLE ASSETS

	Software AED
Cost	
At 1 April 2024, 31 March 2025 and 31 March 2026	**7,115,830**
Accumulated amortisation	
At 1 April 2024, 31 March 2025 and 31 March 2026	**7,115,830**
Carrying amount	
At 1 April 2024, 31 March 2025 and 31 March 2026	--

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8. INVESTMENT IN SUBSIDIARY

	2026 AED	2025 AED
Investment at cost:		
Ensure Middle East Technology Solution L.L.C	150,000	150,000

The nature of investments in subsidiary held by the Establishment are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Registered proportion (%) of ownership interest 2026	2025
Ensure Middle East Technology Solution L.L.C	Providing Hardware support and maintenance Services	Abu Dhabi, UAE	49%	49%

Although the Establishment owns less than 50% of the equity shares, the Establishment has the ability to use its power over the entity to affect its returns and therefore exercises effective control. Accordingly, this entity is considered as subsidiary of the Establishment.

9. TRADE AND OTHER RECEIVABLES

	2026 AED	2025 AED
Trade receivables	11,725,853	12,887,638
Less: Allowance for expected credit losses	(1,485,827)	(1,120,321)
	10,240,026	11,767,317
Deposits	318,399	311,582
Other receivables	3,000	--
	10,561,425	12,078,899

A reconciliation of the movements in the allowance for expected credit losses on trade receivables is as follows:

	2026	2025
Opening balance	1,120,321	--
Provision made during the year	652,719	1,120,321
Bad debts written off	(287,213)	--
Closing balance	1,485,827	1,120,321

The information about credit exposure is disclosed in note23.

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

		2026	2025
		AED	AED
10.	**OTHER CURRENT ASSETS**		
	Prepayments	**760,709**	713,295
	Advance for goods and services	**74,277**	257,447
	VAT receivables	**--**	1,235
		834,986	971,977

11. RELATED PARTIES

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 parent company, subsidiary, fellow subsidiaries and companies under common ownership and/or common management control.

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

	Parent company	Subsidiary	Companies under common ownership and common management control	Total 2026	Total 2025
	AED	AED	AED	AED	AED
Due from related parties	14,256,382	--	15,838,033	**30,094,415**	
	6,577,489	--	17,050,955		23,628,444
Due to related parties	--	--	19,010,093	**19,010,093**	
	--	1,005,914	12,795,740		13,801,654

All balances are unsecured and are expected to be settled in cash. Repayment and other terms are set out in note 23.

Transactions with related parties are approved by the management. Amounts due from and due to related parties relate to transactions arising in the normal course of business with minimal credit risk. For the year ended 31 March 2026, the Establishment has not recorded any allowance for expected credit losses of the amounts owed by the related parties (previous year AED Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

	Parent company	Subsidiary	Companies under common ownership and common management control	Total 2026	Total 2025
	AED	AED	AED	AED	AED
Purchases	--	--	13,149,226	**13,149,226**	--
	--	--	15,270,246	--	15,270,246
Sales	745,324	--	--	**745,324**	--
	265,962	--	--	--	265,962
Management fees income	--	2,121,357	1,888,151	**4,009,508**	--
	--	2,204,038	9,007,597	--	11,211,635
Recharge of common cost	--	--	1,655,507	**1,655,507**	--
	--	--	2,115,360	--	2,115,360
Recharge of staff cost	--	--	2,354,981	**2,354,981**	--
	--	--	3,876,997	--	3,876,997
Transfer of employee related	--	--	--	--	--
payables to related parties	47,293	--	--	--	47,293

The Establishment also provides funds to/receives funds from related parties as working capital facilities free of interest.

	2026	2025
	AED	AED
12. CASH AND CASH EQUIVALENTS		
Bank balances in current accounts	**3,080**	105,455

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

	2026	2025
13. SHARE CAPITAL		
Issued and paid up:		
1 share of AED 1,000,000 held by Redington Gulf FZE, Dubai, UAE.	**1,000,000**	1,000,000

14. PROVISION FOR STAFF END-OF-SERVICE BENEFITS

The amount included in the separate statement of financial position in respect of defined benefit plan is as follows:

	2026 AED	2025 AED
Present value of unfunded obligation	472,061	419,980

Movements in the present value of defined employee benefits obligation are as follows:

Opening obligation	419,980	410,350
Service cost	40,543	48,031
Interest cost	18,523	18,499
Actuarial gain on obligation	(6,985)	(18,551)
Transferred (to)/from a related party (note 11)	--	(22,678)
Paid during the year	--	(15,671)
Closing obligation	472,061	419,980

Expense recognised in profit or loss during the year are as follows:

Service cost (note 20)	40,543	48,031
Interest cost (note 21)	18,523	18,499
	59,066	66,530

Gain recognised in other comprehensive income are as follows:

Actuarial gain for the year	(6,985)	(18,551)

Principal assumptions used for the purpose of actuarial valuation are as follows:

Discount rate	4.65%	4.80%
Salary escalation rate	4.65%	4.80%
Mortality rate	Per AM (80)	Per AM (80)
Withdrawal rate	10%	10%

In accordance with the provisions of IAS 19 Employee Benefits, the management has carried out an exercise to assess the present value of its obligations as at 31 March 2026, using the projected unit credit method, in respect of employees' end-of-service benefits payable under the local labour laws. Under this method, an assessment has been made of an employee's expected service life with the Establishment and the expected basic salary as at the date of leaving the service.

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		2026	2025
		AED	AED
15.	**TRADE AND OTHER PAYABLES**		
	Trade payables	10,657	764,485
	Accruals	1,427,576	2,219,788
	Other payables	113,046	6,370
		1,551,279	2,990,643

The entire trade and other payables are due for payment within one year from the reporting date.

16.	**OTHER CURRENT LIABILITIES**		
	Advance received from customers	2,320,218	1,143,947
	VAT payable (net)	4,778	--
	Accrual for staff benefits	318,185	356,112
		2,643,181	1,500,059

17. MANAGEMENT OF CAPITAL

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

Capital comprises equity funds as presented in the separate statement of financial position. Debt comprises total amounts owed by the Establishment, net of cash and cash equivalents.

The Establishment is not exposed to any externally imposed capital requirements.

Funds generated from internal accruals together with funds received from related parties net of funds provided to related parties if any and net of dividend declared are retained in the business according to the business requirements and maintain capital at desired levels.

18. REVENUE

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

		2026 AED	2025 AED
	Primary Geographical segments		
	UAE	2,376,854	3,166,741
	Other MENA countries	2,346,340	3,046,904
	United Kingdom	--	2,734,100
	United States of America	2,224,886	--
	Europe	6,527,904	16,262,972
	Asia	434,617	3,876,679
	Africa	18,873,917	35,149
		32,784,518	29,122,545
	Major service lines		
	- Repairs and maintenance and other services	31,935,409	28,590,760
	- Annual maintenance contracts	849,109	531,785
		32,784,518	29,122,545
	Timing of revenue recognition		
	- At a point in time	31,935,409	28,590,760
	- Over time	849,109	531,785
		32,784,518	29,122,545
19.	**OTHER OPERATING INCOME**		
	Management fees	4,009,508	11,211,635
	Write back of related party balance	762,506	--
		4,772,014	11,211,635
20	**GENERAL AND ADMINISTRATIVE EXPENSES**		
	Staff salaries and benefits	1,295,500	1,671,256
	Staff end-of-service benefits	40,543	48,031
	Depreciation of property, plant and equipment	7,242	17,154
	Software expense	3,597,030	4,192,148
	Communication expenses	110,400	291,737
	Advertising expenses	118,649	228,226
	Consultancy charges	50,059	113,831
	Exchange (gain)/loss (net)	(45,892)	386,008
	Other expenses	230,018	366,686
		5,403,549	7,315,077
	Staff costs charged by related parties (note 11)	2,354,981	3,876,997
	Expenses charged by related parties (note 11)	1,655,507	2,115,360
		9,414,037	13,307,434
21.	**FINANCE COSTS**		
	On defined employee benefit plan (note 14)	18,523	18,499

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22. INCOME TAX EXPENSE

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

The Establishment has registered for corporate tax as a group with Redington Gulf FZE, parent entity.

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.

	2026 AED	2025 AED
Separate Statement of financial position		
Current tax liabilities	32,885	446,986
Separate Statement of profit or loss and other comprehensive income		
Profit or loss - income tax expense	32,257	445,204
Reversal of excess provision	(35,769)	--
Other comprehensive income – income tax expense	628	1,782
	(2,884)	446,986
Reconciliation of accounting profit and current tax expense		
Profit before tax	141,000	4,635,529
Add: Actuarial gain on defined employee benefit plan	6,985	18,551
Add: Non-deductible expense	82,415	323,826
Taxable income	230,400	4,977,906
Income taxable at 0% (apportionment of ED 375,000 at corporate tax group level)	--	(11,395)
Income taxable at 9%	230,400	4,966,511
Tax expense	20,697	446,986
Pillar-2 Top-up Tax	12,188	--
Current tax expense	32,885	--
Movement in corporate tax payable:		
Opening balance	446,986	--
Provision for the year	32,885	446,986
Paid during the year	(411,217)	--
Reversal of excess provision	(35,769)	--
Closing balance	32,885	446,986

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23. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Classification and fair values

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

	At amortised cost	
	2026	2025
	AED	AED
Financial assets		
Trade and other receivables	**10,561,425**	12,078,899
Due from related parties	**30,094,415**	23,628,444
Cash and cash equivalents	**3,080**	105,455
	40,658,920	35,812,798
Financial liabilities		
Trade and other payables	**1,551,279**	2,990,643
Due to related parties	**19,010,093**	13,801,654
	20,561,372	16,792,297

Fair value measurement and disclosures

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

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

Financial risk management

Risk management objectives

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

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

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

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Credit risk

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

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

Financial assets that potentially expose the Establishment to concentrations of credit risk comprise principally cash and cash equivalents, due from related parties and trade and other receivables.

The Establishment's bank accounts are placed with high credit quality financial institutions.

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

At the reporting date, there is no significant concentration of credit risk from receivables outside the industry in which the Establishment operates (previous year Nil).

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

	2026	2025
	AED	AED
Kenya	**6,279,335**	2,393,488
Ireland	**2,178,919**	2,950,782
Saudi	**1,025,170**	1,449,155
USA	**201,306**	1,726,225
Bahrain	**58,760**	--
Switzerland	**46,079**	1,661,173
China	**46,274**	173,467
Germany	**13,813**	106,200
Netherlands	**--**	336,749

At the reporting date, approximately 54% of trade receivables were due from customers located in Kenya. The major balances relate to established multinational customers with strong credit standing, and accordingly management does not consider the related credit risk exposure to be significant.

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At the reporting date 78% of trade receivables were due from three customers (previous year 54% of trade receivables were due from four customers).

Amounts due from related parties relate to transactions arising in the normal course of business with minimal credit risk.

At the reporting date 88% of amount due from related parties were due from two related parties (previous year 87% of amount due from related parties were due from two related parties).

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

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables from individual customers as at the reporting date.

	Loss rate		Gross carrying amount		Loss allowance	
	2026	2025	**2026**	2025	**2026**	2025
	%	%	**AED**	AED	**AED**	AED
Not past due	**--**	--	**3,372,144**	5,663,169	**--**	--
0 to 3 months	**--**	--	**5,199,764**	3,461,439	**--**	--
3 to 6 months	**--**	--	**272,525**	2,265,924	**--**	--
Over 6 months	**51.57%**	74.83%	**2,881,420**	1,497,106	**1,485,827**	1,120,321
			11,725,853	12,887,638	**1,485,827**	1,120,321

Liquidity risk

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

The Establishment's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Establishment's reputation. The Establishment manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Establishment's undiscounted financial liabilities at the reporting date comprising of trade and other payables of AED 1,551,279 (previous year AED 2,990,6431) and due to related parties of AED 19,010,093 (previous year AED 13,801,654), are maturing within one year from the reporting date.

Market risk

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

Currency risk

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

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

	2026 AED	2025 AED
Bank balance		
- Euro	3,080	105,455
Trade receivables		
- Euro	393,285	1,916,074
Trade payables		
- Euro	250	33,726
- Omani Riyal	--	22,929

At the reporting date, if the above-mentioned currencies had been weaker or stronger against the Dirham by 1%, profit for the year and equity would have been higher or lower by AED 3,961 (previous year AED 19,649).

Interest rate risk

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

The Establishment is not exposed to any significant interest rate risk.

24. **COMPARATIVE INFORMATION**

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

25. **CURRENT ONGOING CONFLICT IN THE WEST ASIA REGION**

The ongoing geopolitical conflict in the West Asia Region have introduced a degree of uncertainty in the global and regional environment. The United Arab Emirates may experience indirect impacts arising from these developments.

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The Establishment has assessed the potential implications of the situation on its operations and financial performance as at the reporting date.

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

While there is no material direct impact on the Establishment's separate financial statements for the current reporting period, the management continues to closely monitor the impact of this situation on the Establishment's operations.

For **ENSURE GULF FZE**

MANAGER

AUDITORS PKF U.A.E.